FEDERALLY ENFORCEABLE STATE OPERATING PERMIT (FESOP) and ENHANCED NEW SOURCE REVIEW OFFICE OF AIR MANAGEMENT

Can American Veneers, Inc.
1001 West Second Street
P.O. Box 768
Seymour, Indiana 47274

(herein known as the Permittee) is hereby authorized to operate subject to the conditions contained herein, the source described in Section A (Source Summary) of this permit.

This permit is issued in accordance with 326 IAC 2 and 40 CFR Part 70 Appendix A and contains the conditions and provisions specified in 326 IAC 2-8 as required by 42 U.S.C. 7401, et. seq. (Clean Air Act as amended by the 1990 Clean Air Act Amendments), 40 CFR Part 70.6, IC 13-15 and IC 13-17.

Operation Permit No.: F071-11602-00025	
Issued by: Paul Dubenetzky, Branch Chief Office of Air Management	Issuance Date: Expiration Date:

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SECTION A SOURCE SUMMARY

This permit is based on information requested by the Indiana Department of Environmental Management (IDEM), Office of Air Management (OAM). The information describing the source contained in conditions A.1 through A.3 is descriptive information and does not constitute enforceable conditions. However, the Permittee should be aware that a physical change or a change in the method of operation that may render this descriptive information obsolete or inaccurate may trigger requirements for the Permittee to obtain additional permits or seek modification of this permit pursuant to 326 IAC 2, or change other applicable requirements presented in the permit application.

A.1 General Information [326 IAC 2-8-3(b)]

The Permittee owns and operates a veneer manufacturing plant and a wood-fired boiler.

Authorized Individual:	Executive Vice President
Source Address:	1001 West Second Street, Seymour, Indiana 47274
Mailing Address:	P.O. Box 768
SIC Code:	2435, 2493
County Location:	Jackson County
Source Location Status:	Attainment for all criteria pollutants
Source Status:	Federally Enforceable State Operating Permit (FESOP) Minor Source, under PSD Rules; Minor Source, Section 112 of the Clean Air Act

A.2 Emission Units and Pollution Control Equipment Summary [326 IAC 2-8-3(c)(3)]

This stationary source consists of the following emission units and pollution control devices:

(a) A sawmill operation with a maximum of 8000 pounds per hour, with wood dust particles controlled by cyclone C1S that feeds into the sawmill chipper at a maximum rate of 600 pounds per hour, exhausting externally through the top of the cyclone at C1S.

(b) A log cooking water filled vat operation with a maximum throughput of 6000 pounds per hour.

(c) One (1) planer with wood chip waste controlled by the cyclone system exhausting externally at C3.

(d) Three (3) veneer slicers each rated at 2000 pounds per hour veneer, and two (2) enclosed slicer chippers, identified as a rotary drum chipper and a veneer hog, rated at 600 pounds per hour and 200 pounds per hour respectively, with particulate emissions controlled by the cyclone system, and external exhausts at C5 and C6.

(e) Three (3) indirectly fired dryers, identified as D1, D2, and D3, each rated at a maximum of 4000 pounds per hour veneer, exhausting to stacks, D1S, D2S, and D3S for D1, D4s, D5S, and D6S for D2, and D7S, D8S, and D9S for D3.

(f) Warehouse clipping operation rated at 2700 pounds per hour, feeding into the clipping line veneer hog at 500 pounds per hour, with the particulate emissions controlled by the cyclone system, and external exhausts at C2E and C2W.

(g) A wood fuel storage area cyclone system consisting of six (6) cyclones routing wood waste to the wood fuel storage area, identified as C4, C3, C5, C6, C2E and C2W, with each controlling particulate emissions from the sawmill chipper, the planer, the rotary drum chipper, and the slicing veneer hog, respectively, and with C2E and C2W both controlling the clipping veneer hog, each exhausting externally to respective outlets C4, C3, C5, C6, C2E and C2W.

(h) One cyclone identified as C7S, routing wood particulate to the boiler with external exhaust to outlet C7S.

(i) One (1) wood-fired and natural gas-fired boiler, identified as B3, with a maximum capacity of 25.52 and 11.5 MMBtu heat input per hour respectively, exhausting to stack B1S, using dual multiclone identified as D8 as particulate control, also with external exhaust to stack B1S.

A.3 Insignificant Activities [326 IAC 2-7-1(21)] [326 IAC 2-8-3(c)(3)(I)]

This stationary source also includes the following insignificant activities, as defined in 326 IAC 2-7-1(21).

Three (3) portable kerosene heaters, identified as K1 through K3, each with a rating of 0.15 MMBtu per hour.

A.4 FESOP Applicability [326 IAC 2-8-2]

This stationary source, otherwise required to have a Part 70 permit as described in 326 IAC 2-7-2(a), has applied to the Indiana Department of Environmental Management (IDEM), Office of Air Management (OAM) for a Federally Enforceable State Operating Permit (FESOP).

A.5 Prior Permit Conditions

(a) This permit shall be used as the primary document for determining compliance with applicable requirements established by previously issued permits.

(b) If, after issuance of this permit, it is determined that the permit is in nonconformance with an applicable requirement that applied to the source on the date of permit issuance, including any term or condition from a previously issued construction or operation permit, IDEM, OAM, shall immediately take steps to reopen and revise this permit and issue a compliance order to the Permittee to ensure expeditious compliance with the applicable requirement until the permit is reissued.

SECTION B GENERAL CONDITIONS

B.1 Permit No Defense [IC 13]

Indiana statutes from IC 13 and rules from 326 IAC, quoted in conditions in this permit, are those applicable at the time the permit was issued. The issuance or possession of this permit shall not alone constitute a defense against an alleged violation of any law, regulation or standard, except for the requirement to obtain a FESOP under 326 IAC 2-8.

B.2 Definitions [326 IAC 2-8-1]

Terms in this permit shall have the definition assigned to such terms in the referenced regulation. In the absence of definitions in the referenced regulation, the applicable definitions found in the statutes or regulations (IC 13-11, 326 IAC 1-2, and 326 IAC 2-7) shall prevail.

B.3 Permit Term [326 IAC 2-8-4(2)]

This permit is issued for a fixed term of five (5) years from the original date, as determined in accordance with IC 4-21.5-3-5(f) and IC 13-15-5-3. Subsequent revisions, modifications, or amendments of this permit do not affect the expiration date.

B.4 Enforceability [326 IAC 2-8-6]

Unless otherwise stated, all terms and conditions in this permit, including any provisions designed to limit the source's potential to emit, are enforceable by IDEM, the United States Environmental Protection Agency (U.S. EPA) and by citizens in accordance with the Clean Air Act.

B.5 Termination of Right to Operate [326 IAC 2-8-9] [326 IAC 2-8-3(h)]

The Permittee's right to operate this source terminates with the expiration of this permit unless a timely and complete renewal application is submitted at least nine (9) months prior to the date of expiration of the source's existing permit, consistent with 326 IAC 2-8-3(h) and 326 IAC 2-8-9.

B.6 Severability [326 IAC 2-8-4(4)]

The provisions of this permit are severable; a determination that any portion of this permit is invalid shall not affect the validity of the remainder of the permit.

B.7 Property Rights or Exclusive Privilege [326 IAC 2-8-4(5)(D)]

This permit does not convey any property rights of any sort, or any exclusive privilege.

B.8 Duty to Supplement and Provide Information [326 IAC 2-8-3(f)] [326 IAC 2-8-4(5)(E)][326 IAC 2-8-5(a)(4)]

(a) The Permittee, upon becoming aware that any relevant facts were omitted or incorrect information was submitted in the permit application, shall promptly submit such supplementary facts or corrected information to:

Indiana Department of Environmental Management
Permits Branch, Office of Air Management
100 North Senate Avenue, P.O. Box 6015
Indianapolis, Indiana 46206-6015

The submittal by the Permittee does require the certification by the "authorized individual" as defined by 326 IAC 2-1.1-1(1).

(b) The Permittee shall furnish to IDEM, OAM, within a reasonable time, any information that IDEM, OAM, may request in writing to determine whether cause exists for modifying, revoking and reissuing, or terminating this permit, or to determine compliance with this permit. The submittal by the Permittee does require the certification by the "authorized individual" as defined by 326 IAC 2-1.1-1(1). Upon request, the Permittee shall also furnish to the IDEM, OAM, copies of records required to be kept by this permit or, for information claimed to be confidential, the Permittee may furnish such records directly to the U.S. EPA along with a claim of confidentiality. [2-8-4(5)(E)]

(c) The Permittee may include a claim of confidentiality in accordance with 326 IAC 17. When furnishing

copies of requested records directly to U. S. EPA, the Permittee may assert a claim of confidentiality in accordance with 40 CFR 2, Subpart B.

B.9 Compliance Order Issuance [326 IAC 2-8-5(b)]

IDEM, OAM may issue a compliance order to this Permittee upon discovery that this permit is in nonconformance with an applicable requirement. The order may require immediate compliance or contain a schedule for expeditious compliance with the applicable requirement.

B.10 Compliance with Permit Conditions [326 IAC 2-8-4(5)(A)] [326 IAC 2-8-4(5)(B)]

(a) The Permittee must comply with all conditions of this permit. Noncompliance with any provisions of this permit, except those specifically designated as not federally enforceable is grounds for:

(1) Enforcement action;

(2) Permit termination, revocation and reissuance, or modification; and

(3) Denial of a permit renewal application.

(b) It shall not be a defense for the Permittee in an enforcement action that it would have been necessary to halt or reduce the permitted activity in order to maintain compliance with the conditions of this permit.

(c) An emergency does not constitute an affirmative defense in an enforcement action provided the Permittee complies with the applicable requirements set forth in condition B, Emergency Provisions.

B.11 Certification [326 IAC 2-8-3(d)] [326 IAC 2-8-4(3)(C)(i)] [326 IAC 2-8-5(1)]

(a) Where specifically designated by this permit or required by an applicable requirement, any application form, report, or compliance certification submitted shall contain certification by a authorized individual of truth, accuracy, and completeness. This certification, shall state that, based on information and belief formed after reasonable inquiry, the statements and information in the document are true, accurate, and complete.

(b) One (1) certification shall be included, using the attached Certification Form, with each submittal requiring certification.

(c) An authorized individual is defined at 326 IAC 2-1.1-1(1).

B.12 Annual Compliance Certification [326 IAC 2-8-5(a)(1)]

(a) The Permittee shall annually submit a compliance certification report which addresses the status of the source's compliance with the terms and conditions contained in this permit, including emission limitations, standards, or work practices. The initial certification shall cover the time period from the date of final permit issuance through December 31 of the same year. All subsequent certifications shall cover the time period from January 1 to December 31 of the previous year, and shall be submitted in letter form no later than July 1 of each year to:

Indiana Department of Environmental Management
Compliance Data Section, Office of Air Management
100 North Senate Avenue, P.O. Box 6015
Indianapolis, Indiana 46206-6015

(b) The annual compliance certification report required by this permit shall be considered timely if the date postmarked on the envelope or certified mail receipt, or affixed by the shipper on the private shipping receipt, is on or before the date it is due. If the document is submitted by any other means, it shall be considered timely if received by IDEM, OAM, on or before the date it is due.

(c) The annual compliance certification report shall include the following:

(1) The appropriate identification of each term or condition of this permit that is the basis of the

certification;

(2) The compliance status;

(3) Whether compliance was continuous or intermittent;

(4) The methods used for determining the compliance status of the source, currently and over the reporting period consistent with 326 IAC 2-8-4(3); and

(5) Such other facts as specified in Sections D of this permit, IDEM, OAM, may require to determine the compliance status of the source.

The notification which shall be submitted by the Permittee does require the certification by the "authorized individual" as defined by 326 IAC 2-1.1-1(1).

B.13 Preventive Maintenance Plan [326 IAC 1-6-3] [326 IAC 2-8-4(9)] [326 IAC 2-8-5(a)(1)]

(a) If required by specific condition(s) in Section D of this permit, the Permittee shall prepare and maintain Preventive Maintenance Plans (PMPs) within ninety (90) days after issuance of this permit, including the following information on each facility:

(1) Identification of the individual(s) responsible for inspecting, maintaining, and repairing emission control devices;

(2) A description of the items or conditions that will be inspected and the inspection schedule for said items or conditions; and

(3) Identification and quantification of the replacement parts that will be maintained in inventory for quick replacement.

If due to circumstances beyond the Permittee's control, the PMPs cannot be prepared and maintained within the above time frame, the Permittee may extend the date an additional ninety (90) days provided the Permittee notifies:

Indiana Department of Environmental Management
Compliance Branch, Office of Air Management
100 North Senate Avenue, P. O. Box 6015
Indianapolis, Indiana 46206-6015

The PMP and the PMP extension notification do not require the certification by the "authorized individual" as defined by 326 IAC 2-1.1-1(1).

(b) The Permittee shall implement the PMPs as necessary to ensure that failure to implement a PMP does not cause or contribute to a violation of any limitation on emissions or potential to emit.

(c) A copy of the PMPs shall be submitted to IDEM, OAM, upon request and within a reasonable time, and shall be subject to review and approval by IDEM, OAM. IDEM, OAM, may require the Permittee to revise its PMPs whenever lack of proper maintenance causes or contributes to any violation. The PMP does not require the certification by the "authorized individual" as defined by 326 IAC 2-1.1-1(1).

(d) Records of preventive maintenance shall be retained for a period of at least five (5) years. These records shall be kept at the source location for minimum of three (3) years. The records may be stored elsewhere for the remaining two (2) years as long as they are available upon request. If the Commissioner makes a request for records to the Permittee, the Permittee shall furnish the records to the Commissioner within a reasonable time.

B.14 Emergency Provisions [326 IAC 2-8-12]

(a) An emergency, as defined in 326 IAC 2-7-1(12), is not an affirmative defense for an action brought for

noncompliance with a federal or state health-based emission limitation, except as provided in 326 IAC 2-8-12.

(b) An emergency, as defined in 326 IAC 2-7-1(12), constitutes an affirmative defense to an action brought for noncompliance with a health-based or technology-based emission limitation if the affirmative defense of an emergency is demonstrated through properly signed, contemporaneous operating logs or other relevant evidence that describes the following:

(1) An emergency occurred and the Permittee can, to the extent possible, identify the causes of the emergency;

(2) The permitted facility was at the time being properly operated;

(3) During the period of an emergency, the Permittee took all reasonable steps to minimize levels of emissions that exceeded the emission standards or other requirements in this permit;

(4) For each emergency lasting one (1) hour or more, the Permittee notified IDEM, OAM, within four (4) daytime business hours after the beginning of the emergency, or after the emergency was discovered or reasonably should have been discovered;

Telephone No.: 1-800-451-6027 (ask for Office of Air Management, Compliance Section) or,
Telephone No.: 317-233-5674 (ask for Compliance Section)
Facsimile No.: 317-233-5967

Failure to notify IDEM, OAM, by telephone or facsimile within four (4) daytime business hours after the beginning of the emergency, or after the emergency is discovered or reasonably should have been discovered, shall constitute a violation of 326 IAC 2-8 and any other applicable rules. [326 IAC 2-8-12(f)]

(5) For each emergency lasting one (1) hour or more, the Permittee submitted the attached Emergency Occurrence Report Form or its equivalent, either by mail or facsimile to:

Indiana Department of Environmental Management
Compliance Branch, Office of Air Management
100 North Senate Avenue, P.O. Box 6015
Indianapolis, Indiana 46206-6015

within two (2) working days of the time when emission limitations were exceeded due to the emergency.

The notice fulfills the requirement of 326 IAC 2-8-4(3)(C)(ii) and must contain the following:

(A) A description of the emergency;

(B) Any steps taken to mitigate the emissions; and

(C) Corrective actions taken.

The notification which shall be submitted by the Permittee does not require the certification by the “authorized individual” as defined by 326 IAC 2-1.1-1(1).

(6) The Permittee immediately took all reasonable steps to correct the emergency.

(c) In any enforcement proceeding, the Permittee seeking to establish the occurrence of an emergency has the burden of proof.

(d) This emergency provision supersedes 326 IAC 1-6 (Malfunctions). This permit condition is in addition

to any emergency or upset provision contained in any applicable requirement.

(e) IDEM, OAM, may require that the Preventive Maintenance Plans required under 326 IAC 2-8-3(c)(6) be revised in response to an emergency.

(f) Failure to notify IDEM, OAM, by telephone or facsimile of an emergency lasting more than one (1) hour in accordance with (b)(4) and (5) of this condition shall constitute a violation of 326 IAC 2-8 and any other applicable rules.

(g) Operations may continue during an emergency only if the following conditions are met:

(1) If the emergency situation causes a deviation from a technology-based limit, the Permittee may continue to operate the affected emitting facilities during the emergency provided the Permittee immediately takes all reasonable steps to correct the emergency and minimize emissions.

(2) If an emergency situation causes a deviation from a health-based limit, the Permittee may not continue to operate the affected emissions facilities unless:

(A) The Permittee immediately takes all reasonable steps to correct the emergency situation and to minimize emissions; and

(B) Continued operation of the facilities is necessary to prevent imminent injury to persons, severe damage to equipment, substantial loss of capital investment, or loss of product or raw material of substantial economic value.

Any operations shall continue no longer than the minimum time required to prevent the situations identified in (g)(2)(B) of this condition.

B.15 Deviations from Permit Requirements and Conditions [326 IAC 2-8-4(3)(C)(ii)]

(a) Deviations from any permit requirements (for emergencies see Section B - Emergency Provision), the probable cause of such deviations, and any response steps or preventive measures taken shall be reported to:

Indiana Department of Environmental Management
Compliance Data Section, Office of Air Management
100 North Senate Avenue, P.O. Box 6015
Indianapolis, Indiana 46206-6015

using the attached Quarterly Deviation and Compliance Monitoring Report, or its equivalent. Deviations that are required to be reported by an applicable requirement shall be reported according to the schedule stated in the applicable requirement and do not need to be included in this report.

The notification by the Permittee does require the certification by the “authorized individual” as defined by 326 IAC 2-1.1-1(1).

(b) A deviation is an exceedance of a permit limitation or a failure to comply with a requirement of the permit or a rule. It does not include:

(1) An excursion from compliance monitoring parameters as identified in Section D of this permit unless tied to an applicable rule or limit; or

(2) Failure to implement elements of the Preventive Maintenance Plan unless such failure has caused or contributed to a deviation.

A Permittee’s failure to take the appropriate response step when an excursion of a compliance monitoring parameter has occurred is a deviation.

(c) Emergencies shall be included in the Quarterly Deviation and Compliance Monitoring Report.

B.16 Permit Modification, Reopening, Revocation and Reissuance, or Termination [326 IAC 2-8-4(5)(C)] [326 IAC 2-8-7(a)] [326 IAC 2-8-8]

(a) This permit may be modified, reopened, revoked and reissued, or terminated for cause. The filing of a request by the Permittee for a FESOP modification, revocation and reissuance, or termination, or of a notification of planned changes or anticipated noncompliance does not stay any condition of this permit. [326 IAC 2-8-4(5)(C)] The notification by the Permittee does require the certification by the "authorized individual" as defined by 326 IAC 2-1.1-1(1).

(b) This permit shall be reopened and revised under any of the circumstances listed in IC 13-15-7-2 or if IDEM, OAM determines any of the following:

(1) That this permit contains a material mistake.

(2) That inaccurate statements were made in establishing the emissions standards or other terms or conditions.

(3) That this permit must be revised or revoked to assure compliance with an applicable requirement. [326 IAC 2-8-8(a)]

(c) Proceedings by IDEM, OAM, to reopen and revise this permit shall follow the same procedures as apply to initial permit issuance and shall affect only those parts of this permit for which cause to reopen exists. Such reopening and revision shall be made as expeditiously as practicable. [326 IAC 2-8-8(b)]

(d) The reopening and revision of this permit, under 326 IAC 2-8-8(a), shall not be initiated before notice of such intent is provided to the Permittee by IDEM, OAM, at least thirty (30) days in advance of the date this permit is to be reopened, except that IDEM, OAM, may provide a shorter time period in the case of an emergency. [326 IAC 2-8-8(c)]

B.17 Permit Renewal [326 IAC 2-8-3(h)]

(a) The application for renewal shall be submitted using the application form or forms prescribed by IDEM, OAM and shall include the information specified in 326 IAC 2-8-3. Such information shall be included in the application for each emission unit at this source, except those emission units included on the trivial or insignificant activities list contained in 326 IAC 2-7-1(21) and 326 IAC 2-7-1(40). The renewal application does require the certification by the "authorized individual" as defined by 326 IAC 2-1.1-1(1).

Request for renewal shall be submitted to:

Indiana Department of Environmental Management
Permits Branch, Office of Air Management
100 North Senate Avenue, P.O. Box 6015
Indianapolis, IN 46206-6015

(b) Timely Submittal of Permit Renewal [326 IAC 2-8-3]

(1) A timely renewal application is one that is:

(A) Submitted at least nine (9) months prior to the date of the expiration of this permit; and

(B) If the date postmarked on the envelope or certified mail receipt, or affixed by the shipper on the private shipping receipt, is on or before the date it is due. If the document is submitted by any other means, it shall be considered timely if received by IDEM, OAM, on or before the date it is due.

(2) If IDEM, OAM upon receiving a timely and complete permit application, fails to issue or deny

the permit renewal prior to the expiration date of this permit, this existing permit shall not expire and all terms and conditions shall continue in effect until the renewal permit has been issued or denied.

(c) Right to Operate After Application for Renewal [326 IAC 2-8-9]
If the Permittee submits a timely and complete application for renewal of this permit, the source's failure to have a permit is not a violation of 326 IAC 2-8 until IDEM, OAM takes final action on the renewal application, except that this protection shall cease to apply if, subsequent to the completeness determination, the Permittee fails to submit by the deadline specified in writing by IDEM, OAM, any additional information identified as needed to process the application.

B.18 Permit Amendment or Revision [326 IAC 2-8-10] [326 IAC 2-8-11.1]

(a) Permit amendments and revisions are governed by the requirements of 326 IAC 2-8-10 or 326 IAC 2-8-11.1 whenever the Permittee seeks to amend or modify this permit.

(b) Any application requesting an amendment or modification of this permit shall be submitted to:

Indiana Department of Environmental Management
Permits Branch, Office of Air Management
100 North Senate Avenue, P.O. Box 6015
Indianapolis, Indiana 46206-6015

Any such application should be certified by the "authorized individual" as defined by 326 IAC 2-1.1-1(1).

(c) The Permittee may implement the administrative amendment changes addressed in the request for an administrative amendment immediately upon submittal of the request. [326 IAC 2-8-10(b)(3)]

B.19 Operational Flexibility [326 IAC 2-8-15]

(a) The Permittee may make any change or changes at this source that are described in 326 IAC 2-8-15(b) through (d), without prior permit revision, if each of the following conditions is met:

(1) The changes are not modifications under any provision of Title I of the Clean Air Act;

(2) Any approval required by 326 IAC 2-8-11.1 has been obtained;

(3) The changes do not result in emissions which exceed the emissions allowable under this permit (whether expressed herein as a rate of emissions or in terms of total emissions);

(4) The Permittee notifies the:

Indiana Department of Environmental Management
Permits Branch, Office of Air Management
100 North Senate Avenue, P.O. Box 6015
Indianapolis, Indiana 46206-6015

and

United States Environmental Protection Agency, Region V
Air and Radiation Division, Regulation Development Branch - Indiana (AR-18J)
77 West Jackson Boulevard
Chicago, Illinois 60604-3590

in advance of the change by written notification at least ten (10) days in advance of the proposed change. The Permittee shall attach every such notice to the Permittee's copy of this permit; and

(5) The Permittee maintains records on-site which document, on a rolling five (5) year basis, all such changes and emissions trading that are subject to 326 IAC 2-8-15(b) through (d) and

makes such records available, upon reasonable request, to public review.

Such records shall consist of all information required to be submitted to IDEM, OAM, in the notices specified in 326 IAC 2-8-15(b), (c)(1), and (d).

(b) The Permittee may make Section 502(b)(10) of the Clean Air Act changes (this term is defined at 326 IAC 2-7-1(36)) without a permit revision, subject to the constraint of 326 IAC 2-8-15(a). For each such Section 502(b)(10) of the Clean Air Act change, the required written notification shall include the following:

(1) A brief description of the change within the source;

(2) The date on which the change will occur;

(3) Any change in emissions; and

(4) Any permit term or condition that is no longer applicable as a result of the change.

The notification which shall be submitted by the Permittee does not require the certification by the "authorized individual" as defined by 326 IAC 2-1.1-1.

(c) Emission Trades [326 IAC 2-8-15(c)]
The Permittee may trade increases and decreases in emissions in the source, where the applicable SIP provides for such emission trades without requiring a permit revision, subject to the constraints of Section (a) of this condition and those in 326 IAC 2-8-15(c).

(d) Alternative Operating Scenarios [326 IAC 2-8-15(d)]
The Permittee may make changes at the source within the range of alternative operating scenarios that are described in the terms and conditions of this permit in accordance with 326 IAC 2-8-4(7). No prior notification of IDEM, OAM or U.S. EPA is required.

B.20 Permit Revision Requirement [326 IAC 2-8-11.1]

A modification, construction, or reconstruction is governed by 326 IAC 2 and 326 IAC 2-8-11.1.

B.21 Inspection and Entry [326 IAC 2-8-5(a)(2)][IC 13-14-2-2]

Upon presentation of proper identification cards, credentials, and other documents as may be required by law, and subject to the Permittee's right under all applicable laws and regulations to assert that the information collected by the agency is confidential and entitled to be treated as such, the Permittee shall allow IDEM, OAM, U.S. EPA, or an authorized representative to perform the following:

(a) Enter upon the Permittee's premises where a FESOP source is located, or emissions related activity is conducted, or where records must be kept under the conditions of this permit;

(b) Have access to and copy, at reasonable times, any records that must be kept under the conditions of this permit;

(c) Inspect, at reasonable times, any facilities, equipment (including monitoring and air pollution control equipment), practices, or operations regulated or required under this permit;

(d) Sample or monitor, at reasonable times, substances or parameters for the purpose of assuring compliance with this permit or applicable requirements; and

(e) Utilize any photographic, recording, testing, monitoring, or other equipment for the purpose of assuring compliance with this permit or applicable requirements.

B.22 Transfer of Ownership or Operational Control [326 IAC 2-8-10]

(a) The Permittee must comply with the requirements of 326 IAC 2-8-10 whenever the Permittee seeks

to change the ownership or operational control of the source and no other change in the permit is necessary.

(b) Any application requesting a change in the ownership or operational control of the source shall contain a written agreement containing a specific date for transfer of permit responsibility, coverage and liability between the current and new Permittee. The application shall be submitted to:

Indiana Department of Environmental Management
Permits Branch, Office of Air Management
100 North Senate Avenue, P.O. Box 6015
Indianapolis, Indiana 46206-6015

The application which shall be submitted by the Permittee does require the certification by the "authorized individual" as defined by 326 IAC 2-1.1-1(1).

(c) The Permittee may implement administrative amendment changes addressed in the request for an administrative amendment immediately upon submittal of the request. [326 IAC 2-8-11(b)(3)]

B.23 Annual Fee Payment [326 IAC 2-7-19] [326 IAC 2-8-4(6)] [326 IAC 2-8-16]

(a) The Permittee shall pay annual fees to IDEM, OAM, within thirty (30) calendar days of receipt of a billing. Pursuant to 326 IAC 2-7-19(b), if the Permittee does not receive a bill from IDEM, OAM the applicable fee is due April 1 of each year.

(b) Except as provided in 326 IAC 2-7-19(e), failure to pay may result in administrative enforcement action or revocation of this permit.

(c) The Permittee may call the following telephone numbers: 1-800-451-6027 or 317-233-0425 (ask for OAM, Technical Support and Modeling Section), to determine the appropriate permit fee.

SECTION C SOURCE OPERATION CONDITIONS

Entire Source

Emissions Limitations and Standards [326 IAC 2-8-4(1)]

C.1 Overall Source Limit [326 IAC 2-8]

The purpose of this permit is to limit this source's potential to emit to less than major source levels for the purpose of Section 502(a) of the Clean Air Act.

(a) Pursuant to 326 IAC 2-8:

(1) The potential to emit any regulated pollutant, except particulate matter (PM), from the entire source shall be limited to less than one-hundred (100) tons per twelve (12) consecutive month period. This limitation shall also satisfy the requirements of 326 IAC 2-3 (Emission Offset);

(2) The potential to emit any individual hazardous air pollutant (HAP) from the entire source shall be limited to less than ten (10) tons per twelve (12) consecutive month period; and

(3) The potential to emit any combination of HAPs from the entire source shall be limited to less than twenty-five (25) tons per twelve (12) consecutive month period.

(b) This condition shall include all emission points at this source including those that are insignificant as defined in 326 IAC 2-7-1(21). The source shall be allowed to add insignificant activities not already listed in this permit, provided that the source's potential to emit does not exceed the above specified limits.

(c) Pursuant to 326 IAC 2-2 (Prevention of Significant Deterioration (PSD)), emissions of particulate matter (PM) from the entire source shall be limited to less than two hundred fifty (250) tons per twelve (12) consecutive month period.

(d) Section D of this permit contains independently enforceable provisions to satisfy this requirement.

C.2 Opacity [326 IAC 5-1]

Pursuant to 326 IAC 5-1-2 (Opacity Limitations), except as provided in 326 IAC 5-1-3 (Temporary Alternative Opacity Limitations), opacity shall meet the following, unless otherwise stated in this permit:

(a) Opacity shall not exceed an average of forty percent (40%) in any one (1) six (6) minute averaging period as determined in 326 IAC 5-1-4.

(b) Opacity shall not exceed sixty percent (60%) for more than a cumulative total of fifteen (15) minutes (sixty (60) readings as measured according to 40 CFR 60, Appendix A, Method 9 or fifteen (15) one (1) minute nonoverlapping integrated averages for a continuous opacity monitor) in a six (6) hour period.

C.3 Open Burning [326 IAC 4-1] [IC 13-17-9]

The Permittee shall not open burn any material except as provided in 326 IAC 4-1-3, 326 IAC 4-1-4 or 326 IAC 4-1-6. The previous sentence notwithstanding, the Permittee may open burn in accordance with an open burning approval issued by the Commissioner under 326 IAC 4-1-4.1. 326 IAC 4-1-3(a)(2)(A) and (B) are not federally enforceable.

C.4 Incineration [326 IAC 4-2] [326 IAC 9-1-2(3)]

The Permittee shall not operate an incinerator or incinerate any waste or refuse except as provided in 326 IAC 4-2 and in 326 IAC 9-1-2. 326 IAC 9-1-2 is not federally enforceable.

C.5 Fugitive Dust Emissions [326 IAC 6-4]

The Permittee shall not allow fugitive dust to escape beyond the property line or boundaries of the property, right-

of-way, or easement on which the source is located, in a manner that would violate 326 IAC 6-4 (Fugitive Dust Emissions). 326 IAC 6-4-2(4) is not federally enforceable.

C.6 Operation of Equipment [326 IAC 2-8-5(a)(4)]

Except as otherwise provided by statute , rule, or in this permit, all air pollution control equipment listed in this permit and used to comply with an applicable requirement shall be operated at all times that the emission units vented to the control equipment are in operation.

C.7 Stack Height [326 IAC 1-7]

The Permittee shall comply with the applicable provisions of 326 IAC 1-7 (Stack Height Provisions), for all exhaust stacks through which a potential (before controls) of twenty-five (25) tons per year or more of particulate matter or sulfur dioxide is emitted. The provisions of 326 IAC 1-7-2, 326 IAC 1-7-3(c) and (d), 326 IAC 1-7-4(d)(3), (e) and (f), and 326 IAC 1-7-5(d) are not federally enforceable.

C.8 Asbestos Abatement Projects [326 IAC 14-10] [326 IAC 18] [40 CFR 61, Subpart M]

(a) Notification requirements apply to each owner or operator. If the combined amount of regulated asbestos containing material (RACM) to be stripped, removed or disturbed is at least 260 linear feet on pipes or 160 square feet on other facility components, or at least thirty-five (35) cubic feet on all facility components, then the notification requirements of 326 IAC 14-10-3 are mandatory. All demolition projects require notification whether or not asbestos is present.

(b) The Permittee shall ensure that a written notification is sent on a form provided by the Commissioner at least ten (10) working days before asbestos stripping or removal work or before demolition begins, per 326 IAC 14-10-3, and shall update such notice as necessary, including, but not limited to the following:

(1) When the amount of affected asbestos containing material increases or decreases by at least twenty percent (20%); or

(2) If there is a change in the following:

(A) Asbestos removal or demolition start date;

(B) Removal or demolition contractor; or

(C) Waste disposal site.

(c) The Permittee shall ensure that the notice is postmarked or delivered according to the guidelines set forth in 326 IAC 14-10-3(2).

(d) The notice to be submitted shall include the information enumerated in 326 IAC 14-10-3(3).

All required notifications shall be submitted to:

Indiana Department of Environmental Management
Asbestos Section, Office of Air Management
100 North Senate Avenue, P.O. Box 6015
Indianapolis, Indiana 46206-6015

The notifications do not require a certification by the "authorized individual" as defined by 326 IAC 2-1.1-1(1).

(e) Procedures for Asbestos Emission Control

The Permittee shall comply with the applicable emission control procedures in 326 IAC 14-10-4 and 40 CFR 61.145(c). Per 326 IAC 14-10-4 emission control requirements are applicable for any removal or disturbance of RACM greater than three (3) linear feet on pipes or three (3) square feet on any other facility components or a total of at least 0.75 cubic feet on all facility components.

(f) Indiana Accredited Asbestos Inspector
The Permittee shall comply with 326 IAC 14-10-1(a) that requires the owner or operator, prior to a renovation/demolition, to use an Indiana Accredited Asbestos Inspector to thoroughly inspect the affected portion of the facility for the presence of asbestos. The requirement that the inspector be accredited is federally enforceable.

Testing Requirements [326 IAC 2-8-4(3)]

C.9 Performance Testing [326 IAC 3-6]

(a) All testing shall be performed according to the provisions of 326 IAC 3-6 (Source Sampling Procedures), except as provided elsewhere in this permit, utilizing any applicable procedures and analysis methods specified in 40 CFR 51, 40 CFR 60, 40 CFR 61, 40 CFR 63, 40 CFR 75, or other procedures approved by IDEM, OAM.

A test protocol, except as provided elsewhere in this permit, shall be submitted to:

Indiana Department of Environmental Management
Compliance Data Section, Office of Air Management
100 North Senate Avenue, P. O. Box 6015
Indianapolis, Indiana 46206-6015

no later than thirty-five (35) days prior to the intended test date. The protocol submitted by the Permittee does not require certification by the "authorized individual" as defined by 326 IAC 2-1.1-1(1).

(b) The Permittee shall notify IDEM, OAM of the actual test date at least fourteen (14) days prior to the actual test date. The notification submitted by the Permittee does not require certification by the "authorized individual" as defined by 326 IAC 2-1.1-1(1).

(c) Pursuant to 326 IAC 3-6-4(b), all test reports must be received by IDEM, OAM not later than forty-five (45) days after the completion of the testing. An extension may be granted by IDEM, OAM, if the source submits to IDEM, OAM, a reasonable written explanation not later than five (5) days prior to the end of the initial forty-five (45) day period.

Compliance Requirements [326 IAC 2-1.1-11]

C.10 Compliance Requirements [326 IAC 2-1.1-11]

The commissioner may require stack testing, monitoring, or reporting at any time to assure compliance with all applicable requirements. Any monitoring or testing shall be performed in accordance with 326 IAC 3 or other methods approved by the commissioner or the U.S. EPA.

Compliance Monitoring Requirements [326 IAC 2-8-4] [326 IAC 2-8-5(a)(1)]

C.11 Compliance Monitoring [326 IAC 2-8-4(3)] [326 IAC 2-8-5(a)(1)]

Unless otherwise specified in this permit, all monitoring and record keeping requirements not already legally required shall be implemented within ninety (90) days of permit issuance. If required by Section D, the Permittee shall be responsible for installing any necessary equipment and initiating any required monitoring related to that equipment. If due to circumstances beyond its control, that equipment cannot be installed and operated within ninety (90) days, the Permittee may extend the compliance schedule related to the equipment for an additional ninety (90) days provided the Permittee notifies:

Indiana Department of Environmental Management
Compliance Data Section, Office of Air Management
100 North Senate Avenue, P.O. Box 6015
Indianapolis, Indiana 46206-6015

in writing, prior to the end of the initial ninety (90) day compliance schedule with full justification of the reasons for inability to meet this date.

The notification which shall be submitted by the Permittee does require the certification by the "authorized individual" as defined by 326 IAC 2-1.1-1(1).

Unless otherwise specified in the approval for the new emission units, compliance monitoring for new emission units or emission units added through a permit revision shall be implemented when operation begins.

C.12 Monitoring Methods [326 IAC 3]

Any monitoring or testing performed required by Section D of this permit shall be performed according to the provisions of 326 IAC 3, 40 CFR 60, Appendix A, or other approved methods as specified in this permit.

Corrective Actions and Response Steps [326 IAC 2-8-4] [326 IAC 2-8-5(a)(1)]

C.13 Emergency Reduction Plans [326 IAC 1-5-2] [326 IAC 1-5-3]

Pursuant to 326 IAC 1-5-2 (Emergency Reduction Plans; Submission):

(a) The Permittee shall prepare written emergency reduction plans (ERPs) consistent with safe operating procedures.

(b) These ERPs shall be submitted for approval to:

Indiana Department of Environmental Management
Compliance Branch, Office of Air Management
100 North Senate Avenue, P.O. Box 6015
Indianapolis, Indiana 46206-6015

within ninety (90) days from the date of issuance of this permit.

The ERP does require the certification by the "authorized individual" as defined by 326 IAC 2-1.1-1(1).

(c) If the ERP is disapproved by IDEM, OAM, the Permittee shall have an additional thirty (30) days to resolve the differences and submit an approvable ERP.

(d) These ERPs shall state those actions that will be taken, when each episode level is declared, to reduce or eliminate emissions of the appropriate air pollutants.

(e) Said ERPs shall also identify the sources of air pollutants, the approximate amount of reduction of the pollutants, and a brief description of the manner in which the reduction will be achieved.

(f) Upon direct notification by IDEM, OAM, that a specific air pollution episode level is in effect, the Permittee shall immediately put into effect the actions stipulated in the approved ERP for the appropriate episode level. [326 IAC 1-5-3]

C.14 Risk Management Plan [326 IAC 2-8-4] [40 CFR 68.215]

If a regulated substance, subject to 40 CFR 68, is present at a source in more than a threshold quantity, 40 CFR 68 is an applicable requirement and the Permittee shall submit:

(a) A compliance schedule for meeting the requirements of 40 CFR 68; or

(b) As a part of the annual compliance certification submitted under 326 IAC 2-7-6(5), a certification statement that the source is in compliance with all the requirements of 40 CFR 68, including the registration and submission of a Risk Management Plan (RMP).

All documents submitted pursuant to this condition shall include the certification by the "authorized individual" as defined by 326 IAC 2-1.1-1(1).

C.15 Compliance Monitoring Plan - Failure to Take Response Steps [326 IAC 2-8-4] [326 IAC 2-8-5]

(a) The Permittee is required to implement a compliance monitoring plan to ensure that reasonable

information is available to evaluate its continuous compliance with applicable requirements. The compliance monitoring plan can be either an entirely new document, consist in whole of information contained in other documents, or consist of a combination of new information and information contained in other documents. If the compliance monitoring plan incorporates by reference information contained in other documents, the Permittee shall identify as part of the compliance monitoring plan the documents in which the information is found. The elements of the compliance monitoring plan are:

(1) This condition;

(2) The Compliance Determination Requirements in Section D of this permit;

(3) The Compliance Monitoring Requirements in Section D of this permit;

(4) The Record Keeping and Reporting Requirements in Section C (Monitoring Data Availability, General Record Keeping Requirements, and General Reporting Requirements) and in Section D of this permit; and

(5) A Compliance Response Plan (CRP) for each compliance monitoring condition of this permit. CRP's shall be submitted to IDEM, OAM upon request and shall be subject to review and approval by IDEM, OAM. The CRP shall be prepared within ninety (90) days after issuance of this permit by the Permittee and maintained on site, and is comprised of:

(A) Reasonable response steps that may be implemented in the event that compliance related information indicates that a response step is needed pursuant to the requirements of Section D of this permit; and

(B) A time schedule for taking reasonable response steps including a schedule for devising additional response steps for situations that may not have been predicted.

(b) For each compliance monitoring condition of this permit, reasonable response steps shall be taken when indicated by the provisions of that compliance monitoring condition. Failure to take reasonable response steps may constitute a violation of the permit.

(c) Upon investigation of a compliance monitoring excursion, the Permittee is excused from taking further response steps for any of the following reasons:

(1) A false reading occurs due to the malfunction of the monitoring equipment. This shall be an excuse from taking further response steps providing that prompt action was taken to correct the monitoring equipment.

(2) The Permittee has determined that the compliance monitoring parameters established in the permit conditions are technically inappropriate, has previously submitted a request for an administrative amendment to the permit, and such request has not been denied.

(3) An automatic measurement was taken when the process was not operating.

(4) The process has already returned or is returning to operating within "normal" parameters and no response steps are required.

(d) Records shall be kept of all instances in which the compliance related information was not met and of all response steps taken. In the event of an emergency, the provisions of 326 IAC 2-7-16 (Emergency Provisions) requiring prompt corrective action to mitigate emissions shall prevail.

(e) All monitoring required in Section D shall be performed at all times the equipment is operating. If monitoring is required by Section D and the equipment is not operating, then the Permittee may record the fact that the equipment is not operating or perform the required monitoring.

(f) At its discretion, IDEM may excuse the Permittee's failure to perform the monitoring and record keeping as required by Section D, if the Permittee provides adequate justification and such failures do not exceed five percent (5%) of the operating time in any quarter. Temporary, unscheduled unavailability of qualified staff shall be considered a valid reason for failure to perform the monitoring or record keeping requirements in Section D.

C.16 Actions Related to Noncompliance Demonstrated by a Stack Test [326 IAC 2-8-4] [326 IAC 2-8-5]

(a) When the results of a stack test performed in conformance with Section C - Performance Testing, of this permit exceed the level specified in any condition of this permit, the Permittee shall take appropriate response actions. The Permittee shall submit a description of these response actions to IDEM, OAM, within thirty (30) days of receipt of the test results. The Permittee shall take appropriate action to minimize excess emissions from the affected facility while the response actions are being implemented.

(b) A retest to demonstrate compliance shall be performed within one hundred twenty (120) days of receipt of the original test results. Should the Permittee demonstrate to IDEM, OAM that retesting in one-hundred and twenty (120) days is not practicable, IDEM, OAM may extend the retesting deadline.

(c) IDEM, OAM reserves the authority to take any actions allowed under law in response to noncompliant stack tests.

The documents submitted pursuant to this condition do not require the certification by the "authorized individual" as defined by 326 IAC 2-1.1-1(1).

Record Keeping and Reporting Requirements [326 IAC 2-8-4(3)]

C.17 Emission Statement [326 IAC 2-6] [326 IAC 2-8-4(3)]

(a) The Permittee shall submit an annual emission statement certified pursuant to the requirements of 326 IAC 2-6. This annual statement must be received by July 1 of each year and must comply with the minimum requirements specified in 326 IAC 2-6-4. The submittal should cover the period defined in 326 IAC 2-6-2(8) (Emission Statement Operating Year). The annual statement must be submitted to:

Indiana Department of Environmental Management
Technical Support and Modeling Section, Office of Air Management
100 North Senate Avenue, P.O. Box 6015
Indianapolis, Indiana 46206-6015

The emission statement does require the certification by the "authorized individual" as defined by 326 IAC 2-1.1-1(1).

(b) The annual emission statement required by this permit shall be considered timely if the date postmarked on the envelope or certified mail receipt, or affixed by the shipper on the private shipping receipt, is on or before the date it is due. If the document is submitted by any other means, it shall be considered timely if received by IDEM, OAM, on or before the date it is due.

C.18 General Record Keeping Requirements [326 IAC 2-8-4(3)] [326 IAC 2-8-5]

(a) Records of all required data, reports and support information shall be retained for a period of at least five (5) years from the date of monitoring sample, measurement, report, or application. These records shall be kept at the source location for a minimum of three (3) years. The records may be stored elsewhere for the remaining two (2) years as long as they are available upon request. If the Commissioner makes a request for records to the Permittee, the Permittee shall furnish the records to the Commissioner within a reasonable time.

(b) Unless otherwise specified in this permit, all record keeping requirements not already legally required shall be implemented within ninety (90) days of permit issuance.

C.19 General Reporting Requirements [326 IAC 2-8-4(3)(C)] [326 IAC 2-1.1-11]

(a) The source shall submit the attached Quarterly Deviation and Compliance Monitoring Report or its equivalent. Any deviation from permit requirements, the date(s) of each deviation, the cause of the deviation, and the response steps taken must be reported. This report shall be submitted within thirty (30) days of the end of the reporting period. The Quarterly Deviation and Compliance Monitoring Report shall include the certification by the "authorized individual" as defined by 326 IAC2-1.1-1(1).

(b) The report required in (a) of this condition and reports required by conditions in Section D of this permit shall be submitted to:

Indiana Department of Environmental Management
Compliance Data Section, Office of Air Management
100 North Senate Avenue, P. O. Box 6015
Indianapolis, Indiana 46206-6015

(c) Unless otherwise specified in this permit, any notice, report, or other submission required by this permit shall be considered timely if the date postmarked on the envelope or certified mail receipt, or affixed by the shipper on the private shipping receipt, is on or before the date it is due. If the document is submitted by any other means, it shall be considered timely if received by IDEM, OAM, on or before the date it is due.

(d) Unless otherwise specified in this permit, any report required in Section D of this permit shall be submitted within thirty (30) days of the end of the reporting period. The report does require the certification by the "authorized individual" as defined by 326 IAC 2-1.1-1(1).

(e) The first report shall cover the period commencing on the date of issuance of this permit and ending on the last day of the reporting period. Reporting periods are based on calendar years.

Stratospheric Ozone Protection

C.20 Compliance with 40 CFR 82 and 326 IAC 22-1

Pursuant to 40 CFR 82 (Protection of Stratospheric Ozone), Subpart F, except as provided for motor vehicle air conditioners in Subpart B, the Permittee shall comply with the standards for recycling and emissions reduction:

(a) Persons opening appliances for maintenance, service, repair or disposal must comply with the required practices pursuant to 40 CFR 82.156

(b) Equipment used during the maintenance, service, repair or disposal of appliances must comply with the standards for recycling and recovery equipment pursuant to 40 CFR 82.158.

(c) Persons performing maintenance, service, repair or disposal of appliances must be certified by an approved technician certification program pursuant to 40 CFR 82.161.

SECTION D.1 FACILITY OPERATION CONDITIONS

Facility Description [326 IAC 2-8-4(10)]:

(a) A sawmill operation with a maximum of 8000 pounds per hour, with wood dust particles controlled by cyclone C1S that feeds into the sawmill chipper at a maximum rate of 600 pounds per hour, exhausting externally through the top of the cyclone at C1S.

(b) A log cooking water filled vat operation with a maximum throughput of 6000 pounds per hour.

(c) One (1) planer with wood chip waste controlled by the cyclone system exhausting externally at C3.

(d) Three (3) veneer slicers each rated at 2000 pounds per hour veneer, and two (2) enclosed slicer chippers, identified as a rotary drum chipper and a veneer hog, rated at 600 pounds per hour and 200 pounds per hour respectively, with particulate emissions controlled by the cyclone system, and external exhausts at C5 and C6.

(e) Three (3) indirectly fired dryers, identified as D1, D2, and D3, each rated at a maximum of 4000 pounds per hour veneer, exhausting to stacks, D1S, D2S, and D3S for D1, D4s, D5S, and D6S for D2, and D7S, D8S, and D9S for D3.

(f) Warehouse clipping operation rated at 2700 pounds per hour, feeding into the clipping line veneer hog at 500 pounds per hour, with the particulate emissions controlled by the cyclone system, and external exhausts at C2E and C2W.

(g) A wood fuel storage area cyclone system consisting of six (6) cyclones routing wood waste to the wood fuel storage area, identified as C4, C3, C5, C6, C2E and C2W, with each controlling particulate emissions from the sawmill chipper, the planer, the rotary drum chipper, and the slicing veneer hog, respectively, and with C2E and C2W both controlling the clipping veneer hog, each exhausting externally to respective outlets C4, C3, C5, C6, C2E and C2W.

(h) One cyclone identified as C7S, routing wood particulate to the boiler with external exhaust to outlet C7S.

(The information describing the process contained in this facility description box is descriptive information and does not constitute enforceable conditions.)

Emission Limitations and Standards [326 IAC 2-8-4(1)]

D.1.1 Particulate Matter (PM) [326 IAC 6-3-2(c)]

Pursuant to 326 IAC 6-3 (Process Operations), the PM emission rates from the veneer processing facilities and dryers, with maximum capacities listed in the table below, shall each not exceed the listed corresponding pounds per hour allowable as established in the following formula:

Interpolation of the data for the process weight rate up to sixty thousand (60,000) pounds per hour shall be accomplished by use of the equation:

$E = 4.10\ P^{0.67}$ where E = rate of emission in pounds per hour; and
P = process weight rate in tons per hour

Facility	Maximum Pounds per Hour	Allowable Emissions in Pounds per Hour	Associated Cyclone
Sawmill	8000	10.38	C1S
Sawmill Chipper	600	1.83	4
Planer	6000	8.56	3
Slicing	6000	8.56	n/a

Slicer Rotary Drum Chipper	800	1.83	5
Slicer Veneer Hog Chipper	600	0.88	6
Clipping	2700	5.01	n/a
Clipping Line Veneer Hog	500	1.62	2E and 2W
Wood Fuel Storage	3465	5.63	C7S
Each Dryer	4000	6.52	n/a

D.1.2 PSD [326 IAC 2-2]

Pursuant to 326 IAC 2-2 (PSD), the source will limit PM emissions to less than 250 tons per year and will render 326 IAC 2-2 (PSD) not applicable. The source will be in compliance with this limit by remaining under the individual limits listed below:

Facility	PM Limit	Facility	PM Limit
Sawmill	8.56	Clipping	4.56
Sawmill Chipper	1.71	Clipping Line Veneer Hog	1.71
Planer	6.80	Wood Fuel Storage	4.56
Slicing	6.80	Dryers	5.71
Slicer Rotary Drum Chipper	1.71	Boiler	13.7
Slicer Veneer Hog Chipper	1.14		

D.1.3 FESOP PM10 Limit [326 IAC 2-8-4]

Pursuant to 326 IAC 2-8-4 (FESOP), the source will limit PM10 emissions to less than 100 tons per year, thereby rendering 326 IAC 2-7 (Part 70 Permit Program) not applicable. The source will be in compliance with the limitation by controlling PM emissions with a cyclone system to ensure that the units will comply with the individual limits listed in the table below:

Facility	Limited Emissions in Pounds per Hour	Associated Cyclone
Sawmill	0.21*	C1S
Sawmill Chipper	0.21	C4
Planer	0.54	C3
Slicer Rotary Drum Chipper	0.18	C5
Slicer Veneer Hog Chipper	0.18	C6
Clipping Line Veneer Hog	0.34	C2E and C2W
Wood Fuel Storage	0.08	C7S
Three Dryers	0.25	n/a

* Not additive since in series with cyclone C4.

D.1.4 Preventive Maintenance Plan [326 IAC 2-8-4(9)]

A Preventive Maintenance Plan, in accordance with Section B - Preventive Maintenance Plan, of this permit, is required for this facility and its control devices.

Compliance Determination Requirements [326 IAC 2-5.1-3(e)(2)] [326 IAC 2-6.1-5(a)(2)]

D.1.5 Particulate Matter (PM) and Particulate Matter Less Than Ten Microns (PM10)

In order to comply with condition D.1.1, the cyclones shall be in operation, exhausting internally, and controlling particulate matter and PM10 at all times the veneer process is in operation.

Compliance Monitoring Requirements [326 IAC 2-8-4] [326 IAC 2-8-5(a)(1)]

D.1.6 Cyclone Failure Detection

In the event that cyclone failure has been observed:

Failed units and the associated process will be shut down immediately until the failed units have been repaired or replaced. Operations may continue only if the event qualifies as an emergency and the Permittee satisfies the requirements of the emergency provisions of this permit (Section B - Emergency Provisions).

D.1.7 Cyclone Inspections

An inspection shall be performed each calender quarter of all cyclones controlling the woodworking operation.

D.1.8 Visible Emissions Notations

(a) Daily visible emission notations of each cyclone stack exhaust shall be performed during normal daylight operations when venting to the atmosphere. A trained employee shall record whether emissions are normal or abnormal.

(b) For processes operated continuously, "normal" means those conditions prevailing, or expected to prevail, eighty percent (80%) of the time the process is in operation, not counting startup or shut down time.

(c) In the case of batch or discontinuous operations, readings shall be taken during that part of the operation that would normally be expected to cause the greatest emissions.

(d) A trained employee is an employee who has worked at the plant at least one (1) month and has been trained in the appearance and characteristics of normal visible emissions for that specific process.

(e) The Compliance Response Plan for this unit shall contain troubleshooting contingency and response steps for when an abnormal emission is observed. Failure to take response steps in accordance with Section C - Compliance Monitoring Plan - Failure to Take Response Steps, shall be considered a violation of this permit.

Record Keeping and Reporting Requirement [326 IAC 2-8-4(3)] [326 IAC 2-8-16]

D.1.9 Record Keeping Requirements

(a) To document compliance with Condition D.1.8, the Permittee shall maintain records of daily visible emission notations of each cyclone stack exhaust.

(b) To document compliance with Condition D.1.7, the Permittee shall maintain records of the results of the inspections required under Condition D.1.7.

(c) All records shall be maintained in accordance with Section C - General Record Keeping Requirements, of this permit.

SECTION D.2 FACILITY OPERATION CONDITIONS

Facility Description [326 IAC 2-8-4(10)]:

(i) One (1) wood-fired and natural gas-fired boiler, identified as B3, with a maximum capacity of 25.52 and 11.5 MMBtu heat input per hour respectively, exhausting to stack B1S, using dual multiclone identified as D8 as particulate control, also with external exhaust to stack B1S.

(The information describing the process contained in this facility description box is descriptive information and does not constitute enforceable conditions.)

Emission Limitations and Standards [326 IAC 2-8-4(1)]

D.2.1 Particulate Matter Limitation (PM) [326 IAC 6-2]

Pursuant to 326 IAC 6-2-4 (Particulate emission limitations for sources of indirect heating: emission limitations for facilities specified in 326 IAC 6-2-1(c)), particulate emissions from boiler B3 shall be limited to 0.43 pounds of PM emitted per million Btu heat input as shown by the following equation, when Q equals 37 MMBtu per hour:

$$Pt = \frac{1.09}{Q^{0.26}}$$

where Pt = pounds of particulate matter emitted per million Btu (lb/mmBtu) heat input; and
Q = total source maximum operating capacity rating in million Btu per hour (mmBtu/hr).

D.2.2 Opacity [326 IAC 5-1]

Pursuant to CP 071-3876-00025, issued on January 6, 1995, operation condition 5, and 326 IAC 5-1 (Visible Emissions Limitations), the boiler shall not exceed an average of 40% opacity in twenty-four (24) consecutive readings and visible emissions shall not exceed 60% opacity for more than a cumulative total of fifteen minutes (sixty(60) readings) in a six (6) hour period.

D.2.3 Fuel Usage

The boiler B3 shall only combust wood and/or natural gas as fuel.

D.2.4 PSD [326 IAC 2-2]

Pursuant to 326 IAC 2-2 (PSD), the source will limit PM emissions to less than 250 tons per year and will render 326 IAC 2-2 (PSD) not applicable. The source will be in compliance with this limit by remaining under the individual limits listed below:

Facility	PM Limit	Facility	PM Limit
Sawmill	8.56	Clipping	4.56
Sawmill Chipper	1.71	Clipping Line Veneer Hog	1.71
Planer	6.80	Wood Fuel Storage	4.56
Slicing	6.80	Dryers	5.71
Slicer Rotary Drum Chipper	1.71	Boiler	13.7
Slicer Veneer Hog Chipper	1.14		

D.2.5 FESOP PM10 Limit [326 IAC 2-8-4]

Pursuant to 326 IAC 2-8-4 (FESOP), the source will limit PM10 emissions to less than 100 tons per year, thereby rendering 326 IAC 2-7 (Part 70 Permit Program) not applicable. The source will be in compliance with the limitation by limiting the boiler PM-10 emissions to 12.39 pounds per hour.

D.2.6 Preventive Maintenance Plan [326 IAC 2-8-4(9)]

A Preventive Maintenance Plan, in accordance with Section B - Preventive Maintenance Plan, of this permit, is required for this facility and its control device.

Compliance Determination Requirements

D.2.7 Testing Requirements [326 IAC 2-8-5(a)(1), (4)] [326 IAC 2-1.1-11]

Within 180 days after issuance of this permit, in order to demonstrate compliance with Conditions D.2.1, D.2.4, and D.2.5, the Permittee shall perform PM and PM-10 testing utilizing methods as approved by the Commissioner. This test shall be repeated at least once every five (5) years from the date of this valid compliance demonstration. PM-10 includes filterable and condensible PM-10. Testing shall be conducted in accordance with Section C- Performance Testing.

D.2.8 Particulate Matter (PM) and Particulate Matter Less Than Ten Microns

(a) Pursuant to CP071-3876-00025, issued on January 6, 1995, and in order to comply with condition D.2.1, the dual multiclone C7S, for PM and PM10 control shall be in operation at all times when the boiler is in operation.

(b) The boiler exhaust smoke density alarm system shall be in operation at all times the boiler is in operation to monitor abnormal particulate emissions.

Compliance Monitoring Requirements [326 IAC 2-8-4] [326 IAC 2-8-5(a)(1)]

D.2.9 Visible Emissions Notations

(a) Visible emission notations of the boiler stack exhaust shall be performed once per shift during normal daylight operations when exhausting to the atmosphere. A trained employee shall record whether emissions are normal or abnormal.

(b) For processes operated continuously, "normal" means those conditions prevailing, or expected to prevail, eighty percent (80%) of the time the process is in operation, not counting startup or shut down time.

(c) In the case of batch or discontinuous operations, readings shall be taken during that part of the operation that would normally be expected to cause the greatest emissions.

(d) A trained employee is an employee who has worked at the plant at least one (1) month and has been trained in the appearance and characteristics of normal visible emissions for that specific process.

(e) The Compliance Response Plan for this unit shall contain troubleshooting contingency and response steps for when an abnormal emission is observed.

D.2.10 Failure Detection

In the event that dual multiclone failure has been observed:

Failed units and the associated process will be shut down immediately until the failed units have been repaired or replaced. Operations may continue only if the event qualifies as an emergency and the Permittee satisfies the requirements of the emergency provisions of this permit (Section B - Emergency Provisions).

D.2.11 Opacity Monitoring

The Permittee shall monitor and maintain the smoke density alarm system as indicated by manufacturer specifications. The Compliance Response Plan for this unit shall contain troubleshooting contingency and response steps for when the alarm system sounds.

Record Keeping Requirement [326 IAC 2-5.1-3(e)(2)] [326 IAC 2-6.1-5(a)(2)]

D.2.12 Record Keeping Requirements

(a) To document compliance with Condition D.2.9, the Permittee shall maintain records of daily visible emission notations of the boiler stack exhaust B3, when exhausting to the atmosphere.

(b) Pursuant to 40 CFR 60, Subpart Dc (Standards of Performance for Small Industrial- Commercial-Institutional Steam Generating Units), records for the boiler B3, shall be maintained of the amount of each fuel combusted during each day. All records shall be maintained for a period of two years.

(c) All records shall be maintained in accordance with Section C - General Record Keeping Requirements, of this permit.

(d) To document compliance with condition D.2.8(b), the Permittee shall maintain records of the dates and times, including the response steps taken, that the smoke density alarm system sounds.

INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
OFFICE OF AIR MANAGEMENT
COMPLIANCE DATA SECTION

FEDERALLY ENFORCEABLE STATE OPERATING PERMIT (FESOP) CERTIFICATION

Source Name: Can American Veneers, Inc.
Source Address: 1001 West Second Street, P.O. Box 768, Seymour, Indiana 47274
Mailing Address: 1001 West Second Street, P.O. Box 768, Seymour, Indiana 47274
FESOP No.: F071-11602-00025

This certification shall be included when submitting monitoring, testing reports/results or other documents as required by this permit.

Please check what document is being certified:

9 Annual Compliance Certification Letter

9 Test Result (specify) _____

9 Report (specify) _____

9 Notification (specify) _____

9 Affidavit (specify) _____

9 Other (specify) _____

I certify that, based on information and belief formed after reasonable inquiry, the statements and information in the document are true, accurate, and complete.

Signature:

Printed Name:

Title/Position:

Date:

INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
OFFICE OF AIR MANAGEMENT

COMPLIANCE DATA BRANCH
P.O. Box 6015
100 North Senate Avenue
Indianapolis, Indiana 46206-6015
Phone: 317-233-5674
Fax: 317-233-5967

FEDERALLY ENFORCEABLE STATE OPERATING PERMIT (FESOP)
EMERGENCY OCCURRENCE REPORT

Source Name: Can American Veneers, Inc.
Source Address: 1001 West Second Street, P.O. Box 768, Seymour, Indiana 47274
Mailing Address: 1001 West Second Street, P.O. Box 768, Seymour, Indiana 47274
FESOP No.: F071-11602-00025

This form consists of 2 pages **Page 1 of 2**

9 This is an emergency as defined in 326 IAC 2-7-1(12)
- The Permittee must notify the Office of Air Management (OAM), within four (**4**) business hours (1-800-451-6027 or 317-233-5674, ask for Compliance Section); and
- The Permittee must submit notice or facsimile within two (**2**) days (Facsimile Number: 317-233-5967), and follow the other requirements of 326 IAC 2-7-16

If any of the following are not applicable, mark N/A

Facility/Equipment/Operation:
Control Equipment:
Permit Condition or Operation Limitation in Permit:
Description of the Emergency:
Describe the cause of the Emergency:

If any of the following are not applicable, mark N/A **Page 2 of 2**

Date/Time Emergency started:
Date/Time Emergency was corrected:
Was the facility being properly operated at the time of the emergency? Y N Describe:
Type of Pollutants Emitted: TSP, PM-10, SO_2, VOC, NO_X, CO, Pb, other:
Estimated amount of pollutant(s) emitted during emergency:
Describe the steps taken to mitigate the problem:
Describe the corrective actions/response steps taken:
Describe the measures taken to minimize emissions:
If applicable, describe the reasons why continued operation of the facilities are necessary to prevent imminent injury to persons, severe damage to equipment, substantial loss of capital investment, or loss of product or raw materials of substantial economic value:

Form Completed by: _____
Title / Position: _____
Date: _____
Phone: _____

A certification is not required for this report.

INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
OFFICE OF AIR MANAGEMENT
COMPLIANCE DATA SECTION

FEDERALLY ENFORCEABLE STATE OPERATING PERMIT (FESOP) QUARTERLY DEVIATION and COMPLIANCE MONITORING REPORT

Source Name: Can American Veneers, Inc.
Source Address: 1001 West Second Street, P.O. Box 768, Seymour, Indiana 47274
Mailing Address: 1001 West Second Street, P.O. Box 768, Seymour, Indiana 47274
FESOP No.: F071-11602-00025

Months: _____ to _____ Year: _____

This report is an affirmation that the source has met all the requirements stated in this permit. This report shall be submitted quarterly based on a calendar year. Any deviation from the requirements, the date(s) of each deviation, the probable cause of the deviation, and the response steps taken must be reported. Deviations that are required to be reported by an applicable requirement shall be reported according to the schedule stated in the applicable requirement and do not need to be included in this report. Additional pages may be attached if necessary. If no deviations occurred, please specify in the box marked "No deviations occurred this reporting period".

9 NO DEVIATIONS OCCURRED THIS REPORTING PERIOD.

9 THE FOLLOWING DEVIATIONS OCCURRED THIS REPORTING PERIOD

Permit Requirement (specify permit condition #)	
Date of Deviation:	**Duration of Deviation:**
Number of Deviations:	
Probable Cause of Deviation:	
Response Steps Taken:	

Permit Requirement (specify permit condition #)	
Date of Deviation:	**Duration of Deviation:**
Number of Deviations:	
Probable Cause of Deviation:	
Response Steps Taken:	

Page 2 of 2

Permit Requirement (specify permit condition #)	
Date of Deviation:	**Duration of Deviation:**
Number of Deviations:	
Probable Cause of Deviation:	
Response Steps Taken:	

Permit Requirement (specify permit condition #)	
Date of Deviation:	**Duration of Deviation:**
Number of Deviations:	
Probable Cause of Deviation:	
Response Steps Taken:	

Permit Requirement (specify permit condition #)	
Date of Deviation:	**Duration of Deviation:**
Number of Deviations:	
Probable Cause of Deviation:	
Response Steps Taken:	

Form Completed By: ______________________________

Title/Position: ______________________________

Date: ______________________________

Phone: ______________________________

Attach a signed certification to complete this report.

Indiana Department of Environmental Management
Office of Air Quality

Addendum to the Technical Support Document for a
Federally Enforceable State Operating Permit (FESOP)

Source Name: **Can American Veneers, Inc.**
Source Location: **1001 West 2nd Street, Seymour, Indiana 47274**
County: **Jackson County**
SIC Code: **2435**
Operation Permit No.: F071-11602-00025
Permit Reviewer: **Melissa Groch**

On December 11, 2000, the Office of Air Quality (OAQ) had a notice published in The Tribune, in Seymour, Indiana, stating that Can American Veneers, Inc., had applied for a Federally Enforceable State Operating Permit (FESOP) to operate a veneer manufacturing process and a wood fired boiler, each with control. The notice also stated that OAQ proposed to issue a permit for this operation and provided information on how the public could review the proposed permit and other documentation. Finally, the notice informed interested parties that there was a period of thirty (30) days to provide comments on whether or not this permit should be issued as proposed. As a result of a public notice comment, a public hearing was held on March 5, 2001.

Public Notice Comments from Citizens

Comment 1:

On December 20, 2000, the following written comment was received from Richard Wilde, the Building Commissioner for the City of Seymour:

Over the years, the Mayor's office, as well as my office, have received numerous complaints from the residents around Can American Veneer. These complaints are the result of dust particles and heavy black smoke emitting from their boiler. We strongly feel that they comply with the 100 tons per year limit and hope that you deny this permit.

Response to Comment 1:

The Office of Air Quality (OAQ) routinely performs air quality analyses to insure that issuance of a permit or registration will not result in a violation of any state or federal air regulations and standards. A permit would be denied if the application does not meet the requirement of 326 IAC 2 or if the source would pose a threat to public health. This source has applied for a Federally Enforceable State Operating Permit (FESOP) to limit their PM-10 to less than 100 tons per year. As a result, this permit is more stringent and comprehensive than previous permits issued to the source. Also, the source is required to maintain recordkeeping and submit reporting in order to show compliance with the permit's enforceable limits. The issues with the boiler were discussed further at a public hearing, held on March 5, 2001, and discussed in another section of this document.

Comment 2:

On December 21, 2000, the following written comment was received from Fred Hines, the Fire Chief of the Seymour Fire Department:

I have worked for the Seymour Fire Department for twenty-three years; acting as Chief for the last six years. I live at 330 Calvin Boulevard, or approximately four blocks from the Can American Veneer facility. The close proximity to which I live to the facility and because of my job title, I have received numerous complaints about the emissions from Can American Veneer over the years. I strongly urge you to reject any proposal that would add to the release of hazardous air pollutants into our neighborhood, which includes our local high school.

Response to Comment 2:

The issuance of this permit will not add to the release of any hazardous air pollutants from this source. This permit is based on existing equipment currently at the source.

Comment 3:

On January 8, 2001, Mr. and Mrs. Joseph Brooks submitted the following written comments:

We are writing in regards to Can American Veneers, Incorporated, in Jackson County, Seymour, Indiana. We are concerned that they have made application to the IDEM to have their particulate matter emission levels increased. We have experienced black "fallout" from this factory since we moved into the area in July 2000. It's been noticed on our vehicles, lawn furniture, windows, clothes line, etcetera. One summer night we had a window fan in our bedroom and I suffered an asthma attack due to the fan blowing in the pollutants from Can American Veneers. We experienced the burning odor many times during the summer when the humidity levels are high and the pollutants hang lower in the air. I am appalled that they are allowed to operate this way in a residential area. We have been informed that they are installing an alarm system to alert them when the black smoke pours out. We've also been told that the installation of a "scrubber" would solve the problem, but it's too costly. The black smoke will appear every so often during the day, but as soon as night falls it starts pouring out continuously through the night. What a coincidence! We thank you for taking the time to listen to our complaints and will take all this into consideration. We would also like to request a public hearing on this matter.

Response to Comment 3:

Can American Veneers, Inc., did not apply to have emission levels increased for any criteria pollutant. As of 1998, a new rule was put into effect regarding the Office of Air Quality permitting process. This rule reevaluated and revised the state's existing permitting process and required many sources to apply for permits under this rule that did not have current or comprehensive permits. Can American Veneers, Inc. had originally applied for a Minor Source Operating Permit. However, after review of their application, it was determined that the existing source had a calculated potential to emit of particulate matter slightly over 100 tons per year. Upon this, the source opted to go into the FESOP program whereby they would be limited to less than 100 tons per year of particulate matter from the entire source. The issues regarding nuisance emissions from the boiler have been addressed in the public hearing section of this document. In February, the source installed a smoke density alarm system in the boiler stack exhaust to help resolve the problem.

Public Notice Comments from Source

Comment 4:

On January 16, 2001, Can American Veneer's consultant, Shawn Smith of Bruce Carter and Associates, submitted written comments on the proposed FESOP.

Section A.2(d): We request this language be changed to represent three (3) veneer slicers located at the facility. The three veneer slicers are consistent with what was presented in the permit application and subsequent discussions with the IDEM.

Response to Comment 4:

The IDEM disagrees that three slicers is consistent with what was in the permit application. According to the permit application submitted on November 29, 1999, the source included text describing the plant's processes. In this, it specifically states that the logs from the sawmill "...go to one of the two veneer slicers..." Also in this same application, a flow diagram lists only the term "slicers". The IDEM was told via electronic mail on November 27, 2000, that the applicant wished to make comments only during the public notice period. Subsequent to public notice, the IDEM was informed that there are three slicers at the source. The following description under condition A.2(d) now reads as:

> ~~Two~~ **Three** (~~2~~ **3**) veneer slicers each rated at ~~6~~ **2**000 pounds per hour veneer, and two (2) enclosed slicer chippers, identified as a rotary drum chipper and a veneer hog, rated at 600 pounds per hour and 200 pounds per hour respectively, with particulate emissions controlled by the cyclone system.

This change is also reflected in the description box for Section D.1. Since the throughput rating hasn't changed for these slicers, it is not necessary to revise the woodworking calculations that were on public notice with the draft permit.

Comment 5:

Section A.3: There are no significant activities listed in the permit. We request that three (3) portable kerosene heaters

with BTU ratings of 150,000 be included in the FESOP permit.

Response to Comment 5:

The IDEM agrees. The source did not list insignificant activities in the permit application. Condition A.3 has been changed to read as:

> This stationary source ~~does not currently have any~~ **also includes the following** insignificant activities, as defined in 326 IAC 2-7-1(21).
>
> > **Three (3) portable kerosene heaters, identified as K1 through K3, each with a rating of 0.15 MMBtu per hour.**

Comment 6:

Section D.1.5: The section states "the cyclones shall be in operation, exhausting internally, and..." We request that this be amended due to the location of our cyclones. The cyclones are mounted outside. The material being blown thru the cyclones drops down into the boiler room however the tops of the cyclones are located outside.

Response to Comment 6:

During the course of the application review, the source was asked if the cyclones exhausted outside. The source answered that they do not exhaust to the outside. Since it has been revealed that they do in fact exhaust externally to the atmosphere, most, but not all, of the following descriptions under Condition A.2 have been changed:

(a) A sawmill operation with a maximum of 8000 pounds per hour, with wood dust particles controlled by cyclone C1S that ~~exhausts internally and~~ feeds into the sawmill chipper at a maximum rate of 600 pounds per hour**, exhausting externally through the top of the cyclone at C1S**.

(c) One (1) planer with wood chip waste controlled by the cyclone system exhausting ~~internally~~ **externally at C3**.

(d) Three (3) veneer slicers each rated at 2000 pounds per hour veneer, and two (2) enclosed slicer chippers, identified as a rotary drum chipper and a veneer hog, rated at 600 pounds per hour and 200 pounds per hour respectively, with particulate emissions controlled by the cyclone system**, and external exhausts at C5 and C6**.

(f) Warehouse clipping operation rated at 2700 pounds per hour, feeding into the clipping line veneer hog at 500 pounds per hour, with the particulate emissions controlled by the cyclone system**, and external exhausts at C2E and C2W**.

(g) A wood fuel storage area cyclone system consisting of six (6) cyclones routing wood waste to the wood fuel storage area, identified as C4, C3, C5, C6, C2E and C2W, with each controlling particulate emissions from the sawmill chipper, the planer, the rotary drum chipper, and the slicing veneer hog, respectively, and with C2E and C2W both controlling the clipping veneer hog, each exhausting ~~internally~~ **externally** to respective outlets C4, C3, C5, C6, C2E and C2W.

(h) One cyclone identified as C7S, routing wood particulate to the ~~wood-fired~~ boiler with ~~internal~~ **external** exhaust~~s~~ to outlet C7S.

These description changes are also reflected in their corresponding D section.

The second sentence of condition D.1.3 has language deleted regarding the exhausts. Also, to ensure compliance with the limit in D.1.3, individual PM-10 limits have been set for the process cyclones. The basis for including these individual limits in this specific condition is to show that these units can operate at the source on a yearly basis while the entire source remains under the source limit of less than 100 tons per year for PM-10. The numbers used are from previous calculations showing after control potential to emit of PM. These after control numbers are being used logically as individual limits since the cyclones are required to be in operation at all times the woodworking process is in operation. As a result, the following changes are being made to the second sentence of the condition:

> The source will be in compliance with the limitation by controlling PM emissions with a~~n internally exhausting~~ cyclone system **to ensure that the units will comply with the individual limits listed in the table below:**

Facility	Limited Emissions in Pounds per Hour	Associated Cyclone
Sawmill	**0.21***	**C1S**
Sawmill Chipper	**0.21**	**C4**
Planer	**0.54**	**C3**
Slicer Rotary Drum Chipper	**0.18**	**C5**
Slicer Veneer Hog Chipper	**0.18**	**C6**
Clipping Line Veneer Hog	**0.34**	**C2E and C2W**
Wood Fuel Storage	**0.08**	**C7S**
Three Dryers	**0.25**	**n/a**

*** Not additive since in series with cyclone C4.**

Since the cyclones do exhaust externally, condition D.1.5 is changed to read as:

In order to comply with condition D.1.1, the cyclones shall be in operation, ~~exhausting internally,~~ and controlling particulate matter and PM10 at all times the veneer process is in operation.

And because the source has determined that the cyclones do have external exhausts, additional monitoring and record keeping is required. Therefore, the following conditions have been added to Section D.1:

D.1.7 Cyclone Inspections

An inspection shall be performed each calender quarter of all cyclones controlling the woodworking operation.

D.1.8 Visible Emissions Notations

(a) Daily visible emission notations of each cyclone stack exhaust shall be performed during normal daylight operations when venting to the atmosphere. A trained employee shall record whether emissions are normal or abnormal.

(b) For processes operated continuously, "normal" means those conditions prevailing, or expected to prevail, eighty percent (80%) of the time the process is in operation, not counting startup or shut down time.

(c) In the case of batch or discontinuous operations, readings shall be taken during that part of the operation that would normally be expected to cause the greatest emissions.

(d) A trained employee is an employee who has worked at the plant at least one (1) month and has been trained in the appearance and characteristics of normal visible emissions for that specific process.

(e) The Compliance Response Plan for this unit shall contain troubleshooting contingency and response steps for when an abnormal emission is observed. Failure to take response steps in accordance with Section C - Compliance Monitoring Plan - Failure to Take Response Steps, shall be considered a violation of this permit.

Record Keeping and Reporting Requirement [326 IAC 2-8-4(3)] [326 IAC 2-8-16]

D.1.9 Record Keeping Requirements

(a) To document compliance with Condition D.1.8, the Permittee shall maintain records of daily visible emission notations of each cyclone stack exhaust.

(b) To document compliance with Condition D.1.7, the Permittee shall maintain records of the results of the inspections required under Condition D.1.7.

(c) All records shall be maintained in accordance with Section C - General Record Keeping Requirements, of this permit.

The Table of Contents has also been changed to reflect the addition of these new conditions.

Comment 7:

Section D.2.3: This section states that "The wood fired boiler B2 shall only combust wood as fuel". We request that this language be changed in order to include the alternative of Natural Gas as fuel in the event that appropriate wood fuel is not available. This is consistent with current procedure and capabilities.

Response to Comment 7:

Previous to the public notice period, the IDEM was unaware that the boiler has capabilities for natural gas. Form D-1 from the permit application states that natural gas fuel is not applicable or "N/A". On March 14, 2001, Tom Earnhart of Can American, stated via electronic mail that the heat input of the natural gas burner is 11,500 MBtu per hour. The corresponding MMBtu is 11.5 per hour. As a result of this new information, calculations have been performed for the natural gas usage of the boiler. See Appendix A of this document for these calculations.

Section D.2 has several changes since the natural heat input is now added to the heat input capabilities when using wood as fuel. Therefore, the descriptions in condition A.2 and in section D.2 now read as:

> One (1) wood-fired **and natural gas-fired** boiler, identified as B3, with a maximum capacity of 25.52 **and 11.5** MMBtu heat input per hour **respectively**, exhausting to stack B1S, using dual multiclone identified as D8 as particulate control, **also** with ~~internal~~ **external** exhaust **to stack B1S**.

All references throughout the permit to the "wood-fired" boiler have been changed to reference "boiler" only. Since the capacity has increased as a result of the additional fuel, the reference to the previous construction permit is no longer valid. Therefore, Condition D.2.1 now reads as:

> Pursuant to ~~CP 071-3876-00025, issued January 6, 1995, operation condition 4, and~~ 326 IAC 6-2-4 (Particulate emission limitations for sources of indirect heating: emission limitations for facilities specified in 326 IAC 6-2-1(c)), particulate emissions from boiler B3 shall be limited to ~~0.47~~ **0.43** pounds of PM emitted per million Btu heat input as shown by the following equation, when Q equals ~~25.52~~ **37** MMBtu per hour:

Condition D.2.3 will read as:

> The ~~wood fired~~ boiler B3 shall only combust wood **and/or natural gas** as fuel.

Since, the IDEM wishes that the original TSD remains as it was during public notice, the table under the section for Potential to Emit that is affected by these new calculations has been updated and shown below:

Pollutant	Potential To Emit (tons/year)			Source Totals
	*Boiler (wood and natural gas)	Veneer Processing	Dryers (3)	
PM	~~55.83~~ 55.92	44.60	1.10	~~101.53~~ 101.62
PM-10	~~55.83~~ 56.21	44.60	1.10	~~101.53~~ 101.91
SO_2	~~0.48~~ 0.51	0	0	~~0.48~~ 0.51
VOC	~~1.40~~ 1.67	0	20.34	~~21.74~~ 22.01
CO	~~86.28~~ 90.51	0	0	~~86.28~~ 90.51
NO_x	~~9.52~~ 14.56	0	0	~~9.52~~ 14.56
HAPs	0	0	0	0

During the review of the comment above, it was discovered that there was an error in the TSD calculations for the controlled PM and PM-10 only. Therefore, calculations have been changed to show the correct numbers. These are shown in bold on page 1 of 1 in Appendix A of this document. It should be noted however, that the initial review of this permit was based on the potential to emit without controls. Therefore this review has not been affected by the corrected calculations. Since the applicability of 326 IAC 6-2-4, however, has been slightly changed in terms of the limit calculated by the equation of this rule, the statements below are made to rectify this for this document only. Shown are the corrected numbers in bold:

> Based on **0.43** pounds of PM per million Btu heat input, calculations show that the allowable PM emissions from the boiler shall not exceed **15.91** pounds of PM per hour.
>
> Since the potential PM emissions from the boiler are **55.93** tons per year without controls when using both fuels combined is less than the allowable calculated above (**69.69** tons per year), then compliance with 326 IAC 6-2-4 is shown.

Comment 8:

Section D.2.10(b): "Pursuant to 40 CFR 60, Subpart Dc..., records for the wood fired boiler B3, shall be maintained of the amount of fuel combusted during each day." We request that this language be changed to require weekly calculation of fuel combusted as wood fuel is provided by two sources and natural gas is an alternative source of fuel.

Response to Comment 8:

The IDEM disagrees. The language in 40 CFR 60, Subpart Dc does not state that the source may provide weekly calculation of fuel combusted. Therefore, the above recommendation will not be incorporated into the permit because that would be less stringent than Subpart Dc. However, to more accurately reflect the language in 40 CFR 60, Subpart Dc, 60.48c (g), and since the boiler does use an alternate fuel, the following has been added to the first sentence of condition D.2.10 part (b):

> Pursuant to 40 CFR 60, Subpart Dc (Standards of Performance for Small Industrial- Commercial-Institutional Steam Generating Units), records for the ~~wood fired~~ boiler B3, shall be maintained of the amount of **each** fuel combusted during each day.

Public Hearing

Summary of Comments:

On March 5, 2001, a public hearing has held at the Seymour Public Library. Public citizens commenting at the hearing were Joe Brooks, Dale and Patricia Weasner, Donald Bruce, Jesse Kovener, Fred Hines, Raymond Anderson, and Thomas Earnhart (Can American Veneers). Due to the overlap of issues raised by the commentors, the IDEM, OAQ has summarized the issues raised by these concerned citizens. The IDEM, OAQ's responses carefully considered all related comments which raised similar issues on the identified topics.

The citizens' issues at the public hearing centered around the particulate emissions from the boiler, the proposed permit limit of less than 100 tons per year of particulate matter less than ten microns, and the overall effect this source has on public health. It was indicated by all persons who commented, as their main concern, that the boiler stack releases heavy black smoke mostly in the evening hours. The concerned citizens also recounted cases of finding black soot on things around their yard such as laundry that was hung out to dry, on windows and siding of their homes, and soot on their cars.

Response to Hearing Comments:

Since it was indicated by the source that they have installed a smoke density alarm system in the boiler stack in February of 2001, the FESOP will now include enforceable requirements to monitor the new system. The results will be a detailed account of the times when the boiler has emitted abnormal amounts of smoke, and the source's corrective actions. These additional compliance monitoring conditions will be subject to recordkeeping requirements which will also be federally enforceable. In addition, a stack testing requirement has been added as D.2.7 to ensure that the boiler is operating with the particulate matter limits established by the permit:

> **Testing Requirements [326 IAC 2-8-5(a)(1), (4)] [326 IAC 2-1.1-11]**
> **Within 180 days after issuance of this permit, in order to demonstrate compliance with Conditions D.2.1, D.2.4, and D.2.5, the Permittee shall perform PM and PM-10 testing utilizing methods as approved by the Commissioner. This test shall be repeated at least once every five (5) years from the date of this valid compliance demonstration. PM-10 includes filterable and condensible PM-10. Testing shall be conducted in accordance with Section C- Performance Testing.**

Because of this new condition, subsequent conditions have been renumbered accordingly. The following will be added to condition D.2.8, previously D.2.7, as part (b):

> **(b) The boiler exhaust smoke density alarm system shall be in operation at all times the boiler is in operation to monitor abnormal particulate emissions.**

Since a part (b) has been added to D.2.8, the original language of this condition is now listed as part (a). Under the Compliance Monitoring Requirements of this section, the following has been added as condition D.2.11, previously D.2.10:

Opacity Monitoring
The Permittee shall monitor and maintain the smoke density alarm system as indicated by manufacturer specifications. The Compliance Response Plan for this unit shall contain troubleshooting contingency and response steps for when the alarm system sounds.

The Record Keeping condition is now listed as D.2.12, and has new language listed as part (d). It reads as:

(d) To document compliance with condition D.2.8(b), the Permittee shall maintain records of the dates and times, including the response steps taken, that the smoke density alarm system sounds.

The Table of Contents has also been changed accordingly.

Additional Changes

The IDEM has also decided to make the following changes to the permit as follows:

1. The second sentence of D.1.1 has been changed to better reflect the rule language. It now reads as:

   Interpolation ~~and extrapolation~~ of the data for the process weight rate up to sixty thousand (60,000) pounds per hour shall be accomplished by use of the equation:

2. Because the source is limited to less than 250 tons per year for PM, a table has been added to conditions D.1.2 and D.2.4 which sets an individual limit for each unit. Also, the second sentence of each condition has been deleted, and new language has been added. These additions to each condition read as:

   The source will be in compliance with this limit by remaining under the individual limits listed below:

Facility	PM Limit	Facility	PM Limit
Sawmill	**8.56**	**Clipping**	**4.56**
Sawmill Chipper	**1.71**	**Clipping Line Veneer Hog**	**1.71**
Planer	**6.80**	**Wood Fuel Storage**	**4.56**
Slicing	**6.80**	**Dryers**	**5.71**
Slicer Rotary Drum Chipper	**1.71**	**Boiler**	**13.7**
Slicer Veneer Hog Chipper	**1.14**		

3. To ensure compliance with the entire source limit of 100 tons per year of PM10, the boiler will be limited to 12.39 pounds per hour of PM-10. Condition D.2.5 now reads as:

   The source will be in compliance with the limitation by ~~controlling PM10 emissions with an internally exhausting dual multiclone~~ **limiting the boiler PM-10 emissions to 12.39 pounds per hour**.

Appendix A: Potential Emissions Calculations
Boiler B3

Company Name: **Can American Veneers**
Addresses: **1001 West Second Street, Seymour, Indiana**
County: **Jackson**
Permit #: **071-11602**
Plant ID: **00025**
Reviewer: **Melissa Groch**

Wood Combustion

Heat Input Capacity MMBtu/hr		BTU/lb	Potential Throughput tons/yr
25.52	Boiler B3	8810	12,688

	Pollutant (lbs/ton)							
	PM	PM Controlled	PM-10	PM-10 Controlled	SO2	NOx	VOC	CO
Emission Factor	8.8	4.2	8.8	2.6	0.075	1.5	0.22	13.6
Potential Emission in tons/yr	55.83	**10.66**	55.83	**6.60**	0.48	9.52	1.40	86.28

Boiler Dual Mulitclone Collector Efficiency= 60.00%

Methodology
MMBtu = 1,000,000 Btu
MMCF = 1,000,000 Cubic Feet of Gas
Potential Throughput (MMCF) = Heat Input Capacity (MMBtu/hr) x 8,760 hrs/yr x 1 MMCF/1,000 MMBtu
Emission Factors are from AP 42, Chapter 1.6, Tables 1.6-1, 1.6-2
Emission (tons/yr) = Throughput (MMCF/yr) x Emission Factor (lb/MMCF)/2,000 lb/ton
Emission (tons/yr) = Throughput (tons/ yr) x Emission Factor (lb/ton)/2,000 lb/ton
Controlled Emissions= Uncontrollled Emissions x (1 - Efficiency)

Natural Gas Combustion

Heat Input Capacity MMBtu/hr	Potential Throughput MMCF/yr
11.5	100.7

	Pollutant					
	PM*	PM10*	SO2	NOx	VOC	CO
Emission Factor in lb/MMCF	1.9	7.6	0.6	100.0 **see below	5.5	84.0
Potential Emission in tons/yr	0.10	0.38	0.03	5.04	0.28	4.23

*PM emission factor is filterable PM only. PM10 emission factor is filterable and condensable PM10 combined.
**Emission Factors for NOx: Uncontrolled = 100, Low NOx Burner = 50, Low NOx Burners/Flue gas recirculation = 32

Methodology
All emission factors are based on normal firing.
MMBtu = 1,000,000 Btu
MMCF = 1,000,000 Cubic Feet of Gas
Potential Throughput (MMCF) = Heat Input Capacity (MMBtu/hr) x 8,760 hrs/yr x 1 MMCF/1,000 MMBtu
Emission Factors are from AP 42, Chapter 1.4, Tables 1.4-1, 1.4-2, 1.4-3, SCC #1-02-006-02, 1-01-006-02, 1-03-006-02, and 1-03-006-03 (SUPPLEMENT D 3/98)
Emission (tons/yr) = Throughput (MMCF/yr) x Emission Factor (lb/MMCF)/2,000 lb/ton
Note: Check the applicable rules and test methods for PM and PM10 when using the above emission factors to confirm that the correct factor is used (i.e., condensable included/not included).

Indiana Department of Environmental Management
Office of Air Management

Technical Support Document (TSD) for a Federally Enforceable Operating Permit

Source Background and Description

Source Name: Can American Veneers, Inc.
Source Location: 1001 West 2nd Street, Seymour, Indiana 47274
County: Jackson County
SIC Code: 2435
Operation Permit No.: F071-11602-00025
Permit Reviewer: Melissa Groch

The Office of Air Management (OAM) has reviewed an application from Can American Veneers, Inc., relating to the operation of wood veneer manufacturing and a wood fired boiler. This company was previously named North American Wood Products, Inc.

Permitted Emission Units and Pollution Control Equipment

The source consists of the following permitted emission units and pollution control devices:

(a) A sawmill operation with a maximum of 8000 pounds per hour, with wood dust particles controlled by cyclone C1S that exhausts internally and feeds into the sawmill chipper at a maximum rate of 600 pounds per hour.

(b) A log cooking water filled vat operation with a maximum throughput of 6000 pounds per hour.

(c) One (1) planer with wood chip waste controlled by the cyclone system exhausting internally.

(d) Two (2) veneer slicers each rated at 6000 pounds per hour veneer, and two (2) enclosed slicer chippers, identified as a rotary drum chipper and a veneer hog, rated at 600 pounds per hour and 200 pounds per hour respectively, with particulate emissions controlled by the cyclone system.

(e) One (1) indirectly fired dryer, identified as D1, rated at a maximum of 4000 pounds per hour veneer, exhausting to stacks, D1S, D2S, and D3S.

(f) Warehouse clipping operation rated at 2700 pounds per hour, feeding into the clipping line veneer hog at 500 pounds per hour, with the particulate emissions controlled by the cyclone system.

(g) A wood fuel storage area cyclone system consisting of six (6) cyclones routing wood waste to the wood fuel storage area, identified as C4, C3, C5, C6, C2E and C2W, with each controlling particulate emissions from the sawmill chipper, the planer, the rotary drum chipper, and the slicing veneer hog, respectively, and with C2E and C2W both controlling the clipping veneer hog, each exhausting internally to respective outlets C4, C3, C5, C6, C2E and C2W.

(h) One cyclone identified as C7S, routing wood particulate to the wood-fired boiler with internal exhausts to outlet C7S.

(i) One (1) wood-fired boiler, identified as B3, with a maximum capacity of 25.52 MMBtu heat input per hour exhausting to stack B1S, using dual multiclone identified as D8 as particulate control, with internal exhaust.

Unpermitted Emission Units

The source also consists of the following unpermitted facilities/units:

Two (2) indirectly fired dryers, identified as D2S and D3S, each rated at a maximum of 4000 pounds per hour veneer each, with each exhausting to stacks, D4S, D5S, and D6S for D2, and D7S, D8S, and D9S for D3.

Two additional dryers have been installed (D2S in August 1998, and D3S in March 1999) since the source received their last construction permit. Dryer D1S was installed approximately 25 years ago. The source uses only two dryers at a time. At all times, one of the three dryers remains offline to serve as a back up only when one of the dryers is down. The dryer stacks are equipped with controlled dampers that open to allow moisture to escape from the dryers in high humidity level situations. At all other times, the dampers remain closed.

Insignificant Activities

Pursuant to 326 IAC 2-8-1, this source does not currently have any insignificant activities as defined in 326 IAC 2-7-1(21).

Existing Approvals

The source has been operating under the previous approval:

Construction Permit 071-3876-00025, issued January 6, 1995.

All conditions from this previous approval were incorporated into this permit.

Stack Summary

Stack IDs	Operation	Height (feet)	Diameter (inches)	Flow Rate (acfm)	Temperature (^{0}F)
D1S, D2S, D3S	Dryer D1	not submitted	not submitted	not submitted	not submitted
D4S, D5S, D6S	Dryer D2	not submitted	not submitted	not submitted	not submitted
D7S, D8S, D9S	Dryer D3	not submitted	not submitted	not submitted	not submitted
B1S	Boiler B3	47	30	14,000	550

Air Pollution Control Justification as an Integral Part of the Process

The IDEM has determined that the woodworking cyclones are not integral to the veneer process, because the process can be operated if several cyclones are not in use, or if they have not generated enough wood waste to fuel the boiler. This is possible because the source purchases wood waste in addition to the waste generated at the source to fuel the wood fired boiler. Therefore, the permitting level is determined using the potential to emit before controls.

Enforcement Issue

(a) IDEM is aware that equipment has been constructed and operated prior to receipt of the proper permit. The subject equipment is listed in this Technical Support Document under the condition entitled *Unpermitted Emission Units*.

(b) IDEM is reviewing this matter and will take appropriate action. This proposed permit is intended to satisfy the requirements of the construction permit rules for these units.

Recommendation

The staff recommends to the Commissioner that this permit be approved. This recommendation is based on the following facts and conditions:

Unless otherwise stated, information used in this review was derived from the application and additional information submitted by the applicant.

An incomplete application for the purposes of this review was received on November 29, 1999, with additional information received on January 4, May 24, May 30, May 31, and July 7, 2000. This application was deemed incomplete because the source failed to submit information regarding the veneer processing, dryers, and the

associated control equipment. On October 27, 2000, the source notified the IDEM that they would be entering into the FESOP Program.

Emission Calculations

The calculations for the purposes of this review include additional units than what was used in the initial calculations performed for Construction Permit 017-3876-00025, issued January 6, 1995. Dryer and veneer processing calculations had not been calculated prior to this review. Therefore, for the purpose of this permit, calculations have been performed for these processes. See pages 1 and 2 of 2, Appendix A.

Potential To Emit

Pursuant to 326 IAC 2-1.1-1(16), Potential to Emit is defined as "the maximum capacity of a stationary source or emissions unit to emit any air pollutant under its physical and operational design. Any physical or operational limitation on the capacity of a source to emit an air pollutant, including air pollution control equipment and restrictions on hours of operation or type or amount of material combusted, stored, or processed shall be treated as part of its design if the limitation is enforceable by the U. S. EPA, the department, or the appropriate local air pollution control agency."

This table reflects the PTE before controls. Control equipment is not considered federally enforceable until it has been required in a federally enforceable permit.

Pollutant	Potential To Emit (tons/year)			Source Totals
	Boiler	Veneer Processing	Dryers (3)	
PM	55.83	44.60	1.10	101.53
PM-10	55.83	44.60	1.10	101.53
SO_2	0.48	0	0	0.48
VOC	1.40	0	20.34	21.74
CO	86.28	0	0	86.28
NO_x	9.52	0	0	9.52
HAPs	0	0	0	0

(a) The potential to emit [as defined in 326 IAC 2-1.1-1(16)] of PM and PM-10 is equal to or greater than 100 tons per year. Therefore, the source is subject to the provisions of 326 IAC 2-7.

(b) This source, otherwise required to obtain a Title V permit, has agreed to accept a permit with federally enforceable limits that restrict its PTE to below the Title V emission levels. Therefore, this source will be issued a Federally Enforceable State Operating Permit (FESOP), pursuant to 326 IAC 2-8.

(c) Fugitive Emissions
Since this type of operation is not one of the twenty-eight (28) listed source categories under 326 IAC 2-2 and since there are no applicable New Source Performance Standards that were in effect on August 7, 1980, the fugitive particulate matter (PM) and volatile organic compound (VOC) emissions are not counted toward determination of PSD and Emission Offset applicability.

Actual Emissions

On January 4, 2000, the source submitted actual emissions data for only the wood-fired boiler.

Pollutant	Potential To Emit (tons/year)
	Boiler
PM	38.54
PM-10	28.47
SO_2	0.66
VOC	6.13
CO	17.52
NO_x	12.26

Potential to Emit After Issuance

The table below summarizes the total potential to emit, reflecting all limits, of the significant emission units after controls. The control equipment is considered federally enforceable only after issuance of this Federally Enforceable State Operating Permit.

	Potential to Emit After Issuance (tons/year)						
Process/facility	PM	PM-10	SO_2	VOC	CO	NO_X	HAPs
dryer operation	3.3	n/a	n/a	20.34	n/a	n/a	n/a
veneer process	6.69	n/a	n/a	n/a	n/a	n/a	n/a
boiler, B3	1.68	1.04	0.48	1.40	86.28	9.52	n/a
Total Emissions	< 100	< 100	< 100	< 100	< 100	< 100	n/a

County Attainment Status

The source is located in Jackson County.

Pollutant	Status
PM-10	attainment
SO_2	attainment
NO_2	attainment
Ozone	attainment
CO	attainment
Lead	attainment

Volatile organic compounds (VOC) and oxides of nitrogen (NOx) are precursors for the formation of ozone. Therefore, VOC emissions are considered when evaluating the rule applicability relating to the ozone standards. Jackson County has been designated as attainment or unclassifiable for ozone.

Federal Rule Applicability

(a) The boiler is subject to the New Source Performance Standard, 326 IAC 12, (40 CFR 60, Subpart Dc) since the boiler has a heat input capacity less than 30 MMBtu per hour, but greater than 10 MMBtu per hour, and was constructed after June 9, 1989. Since the boiler uses wood exclusively as fuel, only the notification and recordkeeping requirements of this subpart apply as indicated in CP 071-3876-00025, condition 7.

(b) There are no National Emission Standards for Hazardous Air Pollutants (NESHAPs)(326 IAC 14 and 40 CFR Part 63) applicable to this source.

State Rule Applicability - Entire Source

326 IAC 2-2 (Prevention of Significant Deterioration)

This source is not a major source under 326 IAC 2-2 (PSD) because the potential to emit for any regulated pollutant is limited to less than 250 tons per year, and it is not one of the twenty-eight (28) listed sources.

326 IAC 2-6 (Emission Reporting)

This source is subject to 326 IAC 2-6 (Emission Reporting), because it has the potential to emit more than one hundred (100) tons per year of Particulate Matter. Pursuant to this rule, the owner/operator of the source must annually submit an emission statement for the source. The annual statement must be received by July 1 of each year and contain the minimum requirement as specified in 326 IAC 2-6-4. The submittal should cover the period defined in 326 IAC 2-6-2(8)(Emission Statement Operating Year).

326 IAC 2-8-4 (FESOP)

Pursuant to this rule, the source will limit source wide PM10 emissions to less than 100 tons per year and will render 326 IAC 2-7 (Part 70 Permit Program) not applicable.

326 IAC 5-1 (Opacity Limitations)

Pursuant to 326 IAC 5-1-2 (Opacity Limitations), except as provided in 326 IAC 5-1-3 (Temporary Alternative Opacity Limitations), opacity shall meet the following, unless otherwise stated in this permit:

(a) Opacity shall not exceed an average of forty percent (40%) any one (1) six (6) minute averaging period as determined in 326 IAC 5-1-4.

(b) Opacity shall not exceed sixty percent (60%) for more than a cumulative total of fifteen (15) minutes (sixty (60) readings as measured according to 40 CFR 60, Appendix A, Method 9 or fifteen (15) one (1) minute nonoverlapping integrated averages for a continuous opacity monitor) in a six (6) hour period.

State Rule Applicability - Individual Facilities

326 IAC 6-2-4 (Emission limitations for facilities specified in 326 IAC 6-2-1(c))

Pursuant to CP 071-3876-00025, issued January 6, 1995, operation condition 4, and 326 IAC 6-2-4 (Emission limitations for facilities specified in 326 IAC 6-2-1(c)), particulate emissions from indirect heating facilities constructed after September 21, 1983, shall be limited to 0.47 pounds of PM emitted per million Btu heat input as shown by the following equation, when Q equals 25.52 MMBtu per hour:

$$Pt = \frac{1.09}{Q^{0.26}}$$

where Pt = pounds of particulate matter emitted per million Btu (lb/mmBtu) heat input; and
Q = total source maximum operating capacity rating in million Btu per hour (mmBtu/hr).

Based on 0.47 pounds of PM per million Btu heat input, calculations show that the allowable PM emissions from the boiler shall not exceed 11.99 pounds of PM per hour.

Since the potential PM emissions from the boiler are 55.83 tons per year without controls, which is greater than the allowable calculated above (52.52 tons per year), then the dual multiclone shall be in operation at all times the wood-fired boiler is in operation. At an efficiency of 60%, the controlled PM is 1.68 tons per year. Therefore, to ensure compliance with 326 IAC 6-2-4, the cyclone C7S shall be in operation at all times the wood-fired boiler is in operation.

326 IAC 5-1 (Opacity Limitations)

Pursuant to CP 071-3876-00025, issued on January 6, 1995, operation condition 5, and 326 IAC 5-1 (Opacity Limitations), the wood-fired boiler shall not exceed an average of 40% opacity in twenty-four (24) consecutive readings and visible emissions shall not exceed 60% opacity for more than a cumulative total of fifteen minutes (sixty(60) readings) in a six (6) hour period.

326 IAC 6-3 (Process Operations)

Pursuant to 326 IAC 6-3 (Process Operations), the PM emission rates from the veneer processing facilities and dryers, with maximum capacities listed in the table below, shall each not exceed the listed corresponding pounds per hour allowable as established in the following formula:

Interpolation and extrapolation of the data for the process weight rate up to sixty thousand (60,000) pounds per hour shall be accomplished by use of the equation:

$$E = 4.10\ P^{0.67}$$

where E = rate of emission in pounds per hour; and
P = process weight rate in tons per hour

Facility	Maximum Pounds per Hour	Allowable Emissions in Pounds per Hour	Associated Cyclone
Sawmill	8000	10.38	C1S
Sawmill Chipper	600	1.83	4
Planer	6000	8.56	3
Slicing	6000	8.56	n/a

Slicer Rotary Drum Chipper	800	1.83	5
Slicer Veneer Hog Chipper	600	0.88	6
Clipping	2700	5.01	n/a
Clipping Line Veneer Hog	500	1.62	2E and 2W
Wood Fuel Storage	3465	5.63	C7S
Each Dryer	4000	6.52	n/a

To ensure compliance with this rule, the cyclones for the veneer operation shall be in operation and exhausting internally at all times the veneer process and associated equipment is in operation. Since the potential PM emissions from the processes after controls are less than the respective pounds per hour allowable from their associated equipment, they are considered in compliance with 326 IAC 6-3.

Since the potential PM emissions from the dryers are each less than the respective pounds per hour allowable, they are considered in compliance with 326 IAC 6-3.

Compliance Requirements

Permits issued under 326 IAC 2-8 are required to ensure that sources can demonstrate compliance with applicable state and federal rules on a more or less continuous basis. All state and federal rules contain compliance provisions, however, these provisions do not always fulfill the requirement for a more or less continuous demonstration. When this occurs IDEM, OAM, in conjunction with the source, must develop specific conditions to satisfy 326 IAC 2-8-4. As a result, compliance requirements are divided into two sections: Compliance Determination Requirements and Compliance Monitoring Requirements.

Compliance Determination Requirements in Section D of the permit are those conditions that are found more or less directly within state and federal rules and the violation of which serves as grounds for enforcement action. If these conditions are not sufficient to demonstrate continuous compliance, they will be supplemented with Compliance Monitoring Requirements, also Section D of the permit. Unlike Compliance Determination Requirements, failure to meet Compliance Monitoring conditions would serve as a trigger for corrective actions and not grounds for enforcement action. However, a violation in relation to a compliance monitoring condition will arise through a source's failure to take the appropriate corrective actions within a specific time period.

The compliance monitoring requirements applicable to this source are as follows:

1. The veneer process cyclones have applicable compliance monitoring conditions as specified below:

   In the event that cyclone failure has been observed, the failed units and the associated process will be shut down immediately until the failed units have been repaired or replaced.

   These monitoring conditions are necessary because the cyclone system for the veneer process must operate properly to ensure compliance with 326 IAC 6-3 (Process Operations) and 326 IAC 2-8 (FESOP).

2. The boiler has applicable compliance monitoring conditions as specified below:

   Daily visible emissions notations of the boiler stack exhaust shall be performed during normal daylight operations. A trained employee will record whether emissions are normal or abnormal. For processes operated continuously "normal" means those conditions prevailing, or expected to prevail, eighty percent (80%) of the time the process is in operation, not counting startup or shut down time. In the case of batch or discontinuous operations, readings shall be taken during that part of the operation that would normally be expected to cause the greatest emissions. A trained employee is an employee who has worked at the plant at least one (1) month and has been trained in the appearance and characteristics of normal visible emissions for that specific process. The Compliance Response Plan for this unit shall contain troubleshooting contingency and response steps for when an abnormal emission is observed.

These monitoring conditions are necessary because the boiler must operate properly to ensure compliance with 326 IAC 6-2 (Particulate Emission Limitations for Sources of Indirect Heating) and 326 IAC 2-8 (FESOP).

Air Toxic Emissions

Indiana presently requests applicants to provide information on emissions of the 188 hazardous air pollutants (HAPs) set out in the Clean Air Act Amendments of 1990. These pollutants are either carcinogenic or otherwise considered toxic and are commonly used by industries. They are listed as air toxics on the Office of Air Management (OAM) Construction Permit Application Form Y.

None of the listed air toxics will be emitted from this source.

Conclusion

The operation of this veneer manufacturer shall be subject to the conditions of the attached proposed **FESOP 071-11602-00025**.

Appendix A: Potential Emissions Calculations
Wood Fired Boiler and Veneer Drying

Company Name: **Can American Veneers**
Addresses: **1001 West Second Street, Seymour, Indiana**
County: **Jackson**
Permit #: **071-11602**
Plant ID: **00025**
Reviewer: **Melissa Groch**

Boiler

Heat Input Capacity MMBtu/hr		BTU/lb	Potential Throughput tons/yr
25.52	Boiler B3	8810	12,688

	Pollutant (lbs/ton)							
	PM	PM Controlled	PM-10	PM-10 Controlled	SO2	NOx	VOC	CO
Emission Factor	8.8	4.2	8.8	2.6	0.075	1.5	0.22	13.6
Potential Emission in tons/yr	55.83	1.68	55.83	1.04	0.48	9.52	1.40	86.28

Boiler Dual Mulitclone Collector Efficiency= 60.00%

Methodology
MMBtu = 1,000,000 Btu
MMCF = 1,000,000 Cubic Feet of Gas
Potential Throughput (MMCF) = Heat Input Capacity (MMBtu/hr) x 8,760 hrs/yr x 1 MMCF/1,000 MMBtu
Emission Factors are from AP 42, Chapter 1.6, Tables 1.6-1, 1.6-2
Emission (tons/yr) = Throughput (MMCF/yr) x Emission Factor (lb/MMCF)/2,000 lb/ton
Emission (tons/yr) = Throughput (tons/ yr) x Emission Factor (lb/ton)/2,000 lb/ton
Controlled Emissions= Uncontrollled Emissions x (1 - Efficiency)

Veneer Drying for 3 Dryers

Input Capacity in Msf/hour

18.758 each dryer

	Pollutant (lbs/hr)					
	PM	PM-10	SO2	NOx	VOC	CO
Emission Factor	0.07	ND	N/A	N/A	1.3	N/A
Potential Emissions in tons/yr	5.75	0.00	0.00	0.00	106.81	0.00

Total for 3 dryers:	17.25	320.42
After veneer thickness for all 3:	1.10	20.34

Methodology
Dryer #1was installed around 1975, Dryer #2 was installed in August of 1998, Dryer #3 was installed in March of 1999.
The dryers are indirectly heated. Since they do not combust fuel, there are no combustion by-products from this equipment.
VOCs, in this case terpenes, may be released from veneer during the drying operation.
There are no controls on the dryers, however the air is recirculated and the dryers vent outside only in high humidity situations.
Msf = 1,000 square feet
Emission Factor units are pounds per thousand square feet of 3/8-inch thick veneer. The source produces 1/42nd of inch thick veneer, therefore, the above calculations take into account the veneer thickness, as confirmed by the EPA.
PTE for the dryers takes into account the thickness of the veneer.
Emission Factors are from AP 42, Chapter 10.5, Tables 10.5-1, 10.5-2, 10.5-3
Emission (tons/yr) = Throughput (Msf/hour) x Emission Factor (lb/Msf)(8760 hours/year)(ton/2,000 lb)

Allowable PM Emissions from the Dryers

	Maximum Throughput		Allowable Emissions		
Each dryer:	4000 lbs/hr	2.00 tons/hr	6.52 lbs/hr	28.57 tons/yr	
				85.72 tons/yr	: Combined total for all 3 Dryers

326 IAC 6-3-2 (Process Operations - Particulate emissions limitations)

E= 4.10P^0.67 Where E= emissions in lbs/hr
P= process weight rate (throughput) in tons per hour

Since the potential PM emission rates above from each dryer in the above table are each less than their respective pounds per hour allowable as determined by the equation above, then they are each in compliance with 326 IAC 6-3-2.

Appendix A: Emissions Calculations
Woodworking Emissions

Company Name: **Can American Veneers**
Addresses: **1001 West Second Street, Seymour, Indiana**
County: **Jackson**
Permit #: **071-11602**
Plant ID: **00025**
Reviewer: **Melissa Groch**

Potential Emissions

Facility	Equipment	Control Efficiency	ACFM	Outlet Grain Loading gr/acf	Emissions Before Control lb/hr	Emissions After Control lb/hr	Emissions Allowable lb/hr
Sawmill	C1S	85.00%	2320	0.009	*see below	*see below	10.38
Sawmill Chipper	C4	85.00%	2680	0.009	1.38	0.207	1.83
Planer	C3	85.00%	7000	0.009	3.60	0.540	8.56
Slicer Chipper	C5	85.00%	2360	0.009	1.21	0.182	1.83
Slicer Chipper	C6	85.00%	2360	0.009	1.21	0.182	0.88
Clipping Line	C2E	85.00%	2210	0.009	1.14	0.170	
Veneer Hog	C2W	85.00%	2210	0.009	1.14	0.170	1.62
Wood Fuel Storage	C7S	85.00%	980	0.009	0.50	0.076	5.93
Total:					10.18	1.53	31.02
				Tons per year:	44.60	6.69	

After Control Emissions: Emissions: (gr/acf)(acf/min)(60 min/hr)(lb/7000 gr)= see above

Before Control Emissions: Emissions: (lbs/hr)/(1-control efficiency) = see above

* cyclone C1S is in series with cyclone 4, therefore it is not considered when determining emissions.

Allowable Emissions

	Maximum Throughput			Allowable Emissions	Associated Cyclone
Sawmill	8000 lbs/hr	4.00 tons/hr		10.38 lbs/hr	C1S
Sawmill Chipper	600 lbs/hr	0.30 tons/hr		1.83 lbs/hr	4
Planer	6000 lbs/hr	3.00 tons/hr		8.56 lbs/hr	3
Slicing	6000 lbs/hr	3.00 tons/hr		8.56 lbs/hr	n/a
Slicer Rotary Drum Chipper	600 lbs/hr	0.30 tons/hr		1.83 lbs/hr	5
Slicer Veneer Hog	200 lbs/hr	0.10 tons/hr		0.88 lbs/hr	6
Clipping	2700 lbs/hr	1.35 tons/hr		5.01 lbs/hr	n/a
Clipping Line Veneer Hog	500 lbs/hr	0.25 tons/hr		1.62 lbs/hr	2E and 2W
Wood Fuel Storage	3465 lbs/hr	1.73 tons/hr		5.93 lbs/hr	C7S

326 IAC 6-3-2 (Process Operations - Particulate emissions limitations)

E= 4.10P^0.67 Where E= emissions in lbs/hr
P= process weight rate (throughput) in tons per hour

Since the potential emission rates after controls from each unit in the above table are each less than their respective pounds per hour allowable as determined by the equation above, then they are in compliance with 326 IAC 6-3-2.